Annual Report
of the
Secretary of the Treasury
on the
State of the Finances

For the Fiscal Year Ended June 30, 1948

TREASURY DEPARTMENT

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Secretary

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Term of service		Official	Secretary of the Treasury	President
From—	To—			
		Secretary of the Treasury		
Mar 4, 1933	Dec 31 1933	William H Woodin, New York		Roosevelt
Jan 1, 1934	July 22, 1945	Henry Morgenthau, Jr, New York		Roosevelt, Truman
July 23, 1945	June 23 1946	Fred M Vinson, Kentucky		Truman
June 25 1946		John W Snyder, Missouri		Truman
		Under Secretary		
May 19 1933	Nov 16 1933	Dean G Acheson, Maryland	Woodin	Roosevelt
Nov 17 1933	Dec 31 1933	Henry Morgenthau, Jr, New York	Woodin	Roosevelt
May 2 1934	Feb 15, 1936	Thomas Jefferson Coolidge, Massachusetts	Morgenthau	Roosevelt
Jan 29, 1937	Sept 15 1938	Roswell Magill New York	Morgenthau	Roosevelt
Nov 1 1938	Dec 31 1939	John W Hanes, North Carolina	Morgenthau	Roosevelt
Jan 18 1940	Dec 31, 1945	Daniel W Bell, Illinois	Morgenthau Vinson	Roosevelt, Truman
Mar 4 1946	Jan 14 1947	O Max Gardner, North Carolina	Vinson Snyder	Truman
Jan 23 1947	July 14 1948	A L M Wiggins South Carolina	Snyder	Truman
July 15 1948		Edward H Foley, Jr New York	Snyder	Truman
		Assistant Secretaries		
Apr 18, 1933	Feb 15 1936	Lawrence W Robert, Jr, Georgia	Woodin, Morgenthau	Roosevelt
June 6 1933	Sept 30 1939	Stephen B Gibbons New York	Woodin, Morgenthau	Roosevelt
June 12 1933	Dec 12, 1933	Thomas Hewes Connecticut	Woodin	Roosevelt
Dec 1, 1934	Nov 1 1937	Josephine Roche Colorado	Morgenthau	Roosevelt
Feb 19, 1936	Feb 28, 1939	Wayne C Taylor, Illinois	Morgenthau	Roosevelt
July 1 1938	Oct 31 1938	John W Hanes, North Carolina	Morgenthau	Roosevelt
June 23 1939	Dec 2, 1945	Herbert E Gaston, New York	Morgenthau, Vinson	Roosevelt Truman
Jan 18 1940	Nov 30 1944	John L Sullivan, New Hampshire	Morgenthau	Roosevelt
Jan 24 1945	May 1 1946	Harry D White, Maryland	Morgenthau, Vinson	Roosevelt, Truman
Apr 15 1946	July 14 1948	Edward H Foley Jr, New York	Vinson, Snyder	Truman
July 16 1948		John S Graham North Carolina	Snyder	Truman
		Fiscal Assistant Secretary		
Mar 16, 1945		Edward F Bartelt Illinois	Morgenthau, Vinson, Snyder	Roosevelt Truman

[1] For officials since 1789 see annual report for 1932, pp xvii to xxi, and corresponding table in annual report for 1933

PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF NOVEMBER 15, 1948

OFFICE OF THE SECRETARY

John W Snyder	Secretary of the Treasury
Edward H Foley, Jr	Under Secretary of the Treasury
John S Graham	Assistant Secretary of the Treasury
Vacant	Assistant Secretary of the Treasury
Thomas J Lynch	General Counsel
Edward F Bartelt	Fiscal Assistant Secretary of the Treasury
William T Heffelfinger	Assistant to the Fiscal Assistant Secretary
Edward D Batchelder	Technical Assistant to the Fiscal Assistant Secretary
Martin L Moore	Technical Assistant to the Fiscal Assistant Secretary
Frank F Dietrich	Technical Assistant to the Fiscal Assistant Secretary
Gilbert L Cake	Head, Fiscal Service Operations and Methods Staff
Frank A Southard Jr	Special Assistant to the Secretary
James J Saxon	Assistant to the Secretary
A L M Wiggins	Assistant to the Secretary
William W Parsons	Administrative Assistant to the Secretary
Paul McDonald	Director of Administrative Services
Denzil A Right	Superintendent, Division of Treasury Buildings
Edward E Berney	Chief, Division of Treasury Space Control
Henry L Merricke	Chief Division of Office Services
Willard L Johnson	Budget Officer
George H Jones	Assistant Budget Officer
James H Hard, II	Director of Personnel
Joseph A Jordan	Assistant Director of Personnel
Malachi L Harney	Acting Chief Coordinator, Treasury Enforcement Agencies

OFFICE OF THE GENERAL COUNSEL

Thomas J Lynch	General Counsel
Norman C Tietjens	Assistant General Counsel
Stephen J Spingarn	Assistant General Counsel
Elting Arnold	Assistant General Counsel
Philip Nichols, Jr	Assistant General Counsel
Vance N Kirby	Tax Legislative Counsel
Frederick C Lusk	Assistant Tax Legislative Counsel
John J Boland	Assistant Tax Legislative Counsel
George Bronz	Special Assistant to the General Counsel
Lawrence Linville	Special Assistant to the General Counsel
John K Carlock	Special Assistant to the General Counsel
Kenneth S Harrison	Chief Counsel U S Coast Guard
John F Anderson	Chief Counsel, Office of the Comptroller of the Currency
Robert Chambers	Chief Counsel Bureau of Customs
Byron J Harding	Chief Counsel, Bureau of Federal Supply
Charles Oliphant	Chief Counsel Bureau of Internal Revenue
Elting Arnold	Chief Counsel Office of International Finance
Alfred L Tennyson	Chief Counsel, Bureau of Narcotics
Theodore W Cunningham	Chief Counsel Bureau of Public Debt

OFFICE OF THE TECHNICAL STAFF

George C Haas	Director of the Technical Staff
Al F O'Donnell	Assistant Director
Russell R Reagh	Assistant Director (Government Actuary)
Sidney G Tickton	Assistant Director
Anna M Michener	Assistant to the Director
William M Weir	Administrative Assistant to the Director
Isabella S Diamond	Librarian

OFFICE OF INTERNATIONAL FINANCE

George H Willis	Acting Director Office of International Finance, and Chief, European Division
Vacant	Deputy Director
Charles Dillon Glendinning	Acting Secretary, National Advisory Council, and Chief, British Commonwealth and Middle East Division
Morris J Fields	Chief Commercial Policy and United Nations Division
Arthur W Stuart	Chief, Far Eastern Division
Robert J Schwartz	Acting Chief International Statistics Division
John S deBeers	Chief, Latin American Division
George A Eddy	Chief Stabilization Fund Gold and Silver Division
Chester L Callander	Executive Assistant to the Director
Mary C Hall	Administrative Assistant to the Director

DIVISION OF TAX RESEARCH

Vacant	Director of Tax Research
L L Ecker Racz	Assistant Director
F Newell Campbell	Assistant Director
Richard E Slitor	Assistant Director
Robert B Bangs	(Acting) Assistant Director

U S SAVINGS BONDS DIVISION

Vernon L Clark	National Director, U S Savings Bonds Division.
Leon J Markham	Director of Sales
Bill McDonald	Executive Officer

BUREAU OF ACCOUNTS (IN THE FISCAL SERVICE)

Robert W Maxwell	Commissioner of Accounts
Gilbert L Cako	Associate Commissioner
Paul D Banning	Chief Disbursing Officer, Division of Disbursement
Harold R Gearhart	Deputy Commissioner
Joseph Greenberg	Assistant Commissioner
Edmund C Nussear	Executive Assistant
Wallace E Barker Jr	Administrative Assistant
George E Jones	Chief Accountant
Harry L Stoudt	Chief Auditor
Harold A Ball	Technical Planning and Advisory Staff

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Edwin L Kilby	Commissioner of the Public Debt
Donald M Merritt	Associate Commissioner
Ross A Heffelfinger Jr	Deputy Commissioner Washington
Charles D Peyton	Deputy Commissioner, Chicago

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William A Julian	Treasurer of the United States
Marion G Banister	Assistant Treasurer
Michael E Slindee	Deputy and Acting Treasurer
Frederick L Church	Assistant Deputy Treasurer
Grover C Emerson	Special Assistant to the Treasurer

BUREAU OF ENGRAVING AND PRINTING

Alvin W Hall	Director, Bureau of Engraving and Printing
Clark R Long	Associate Director
Thomas F Slattery	Assistant Director (Production)

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Preston Delano	Comptroller of the Currency
C B Upham	Deputy Comptroller
R B McCandless	Deputy Comptroller
J L Robertson	Deputy Comptroller
W P Folger	Chief National Bank Examiner

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Will S Wood	Deputy Commissioner
Malachi L Harney	Assistant to the Commissioner

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Daniel A Bolich	Assistant Commissioner
T C Atkeson	Assistant to the Commissioner
Eldon P King	Special Deputy Commissioner
E I McLarney	Deputy Commissioner Income Tax Unit
Clifford W Stowe	Assistant Deputy Commissioner Income Tax Unit
A H Crose	Deputy Commissioner Accounts and Collections Unit
Victor H Self	Deputy Commissioner, Employment Tax Unit
D Spencer Bliss	Deputy Commissioner Miscellaneous Tax Unit
Carroll E Mealey	Deputy Commissioner Alcohol Tax Unit
Aubrey R Marrs	Head Technical Staff
William H Woolf	Chief Intelligence Unit
Henry J Merry	Chairman, Excess Profits Tax Council

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Frank Dow	Acting Commissioner of Customs
William R Johnson	Deputy Commissioner Tariff and Marine Administration
A Sidney Johnson	Deputy Commissioner Fiscal Administration
Edson J Shamhart	Deputy Commissioner, Investigations
Glenn H Griffith	Assistant Deputy Commissioner
William E H Higman	Assistant Deputy Commissioner
Henry E Sweet	Assistant Deputy Commissioner
Charles Stevenson	Supervisor of Appraisers
John F Williams	Chief of Division of Laboratories

BUREAU OF THE MINT

Nellie Tayloe Ross	Director of the Mint
Leland Howard	Assistant Director

BUREAU OF FEDERAL SUPPLY

Clifton E Mack	Director Bureau of Federal Supply
J D Tompkins	Assistant Director
A J Walsh	Assistant Director
H M Kurth	Assistant Director
W M B Freeman	Deputy Director Purchase Branch
S A Snyder	Deputy Director Stores Branch
Willis S MacLeod	Deputy Director Standards Branch
J L Chambers	Deputy Director, Fiscal Branch
Paul King	Deputy Director Administration
J W Flatley	Chief Governmental Requirements
H F Riley	Chief, Investigating and Examining Division
O W Eichelberger	Chief Renegotiation Rebate Division

UNITED STATES COAST GUARD

Admiral Joseph F Farley	Commandant U S Coast Guard
Rear Admiral Merlin O Neill	Assistant Commandant
Rear Admiral Ellis Reed Hill	Engineer in Chief

UNITED STATES SECRET SERVICE

James J Maloney	Chief U S Secret Service
John J McGrath	Assistant Chief
Harry E Neal	Executive Aide to the Chief

CONTRACT SETTLEMENT

Stephen J Spingarn	Deputy Director
Lawrence E Hartwig	Chairman, Appeal Board

STANDING DEPARTMENTAL COMMITTEES

COMMITTEE ON EMPLOYEE AWARDS

James H Hard II	Chairman
Willard L Johnson	Vice Chairman
Byron S Beall	Member
Fred A Clark	Member
Allison Rupert	Member
Harrell T Vance	Member

LOYALTY BOARD

James H Hard II	Chairman
Stephen J Spingarn	Member
William I Heffelfinger	Member

COMMITTEE ON PRACTICE

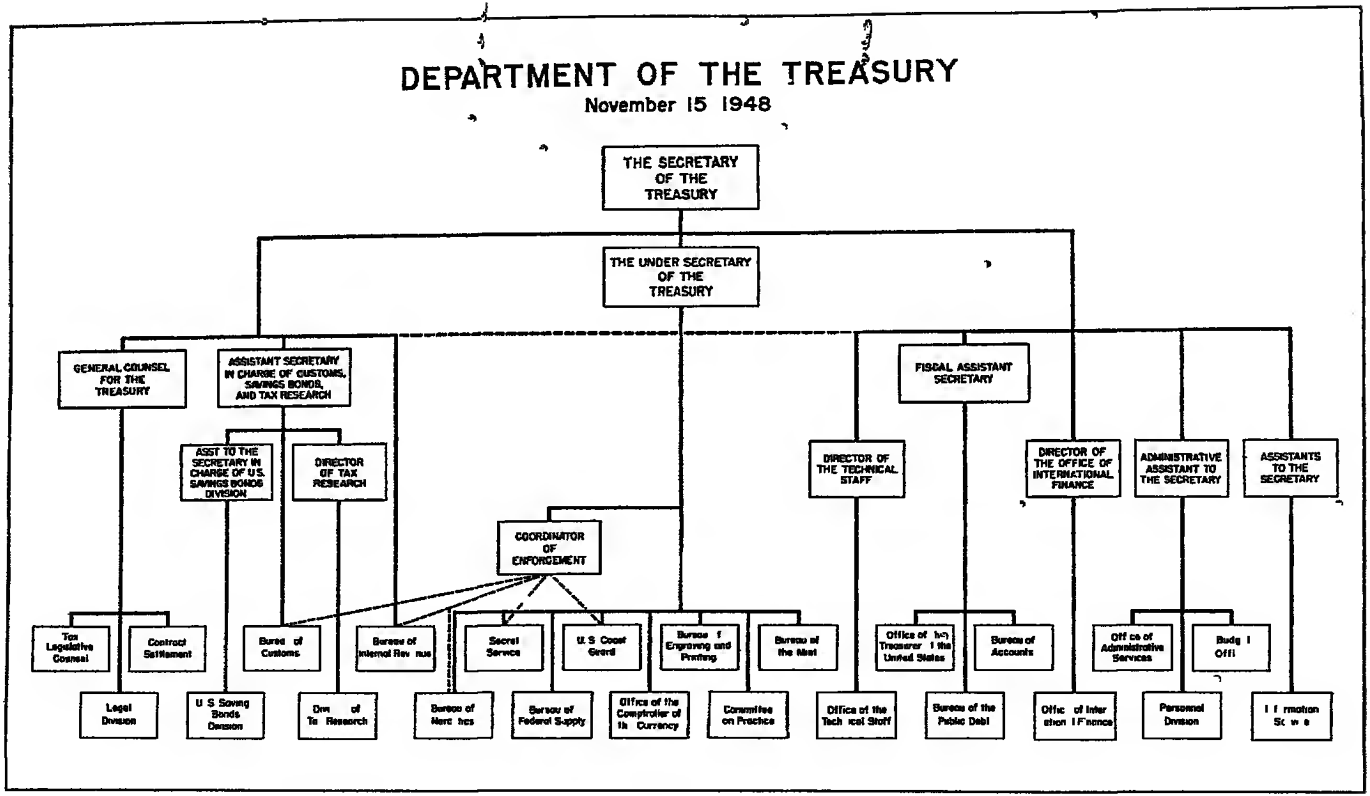
John L Graves	Chairman
Hessel E Yntema	Member
Huntington Cairns	Member

WAGE BOARD

James H Hard II	Chairman
Willard L Johnson	Member
George C Billard	Member

INTERDEPARTMENTAL SAVINGS BOND COMMITTEE

Edward F Bartelt	Chairman


DEPARTMENT OF THE TREASURY
November 15 1948
THE SECRETARY OF THE TREASURY
THE UNDER SECRETARY OF THE TREASURY
GENERAL COUNSEL FOR THE TREASURY
ASSISTANT SECRETARY IN CHARGE OF CUSTOMS, SAVINGS BONDS, AND TAX RESEARCH
ASST TO THE SECRETARY IN CHARGE OF U.S. SAVINGS BONDS DIVISION
DIRECTOR OF TAX RESEARCH
COORDINATOR OF ENFORCEMENT
FISCAL ASSISTANT SECRETARY
DIRECTOR OF THE TECHNICAL STAFF
DIRECTOR OF THE OFFICE OF INTERNATIONAL FINANCE
ADMINISTRATIVE ASSISTANT TO THE SECRETARY
ASSISTANTS TO THE SECRETARY
Tax Legislative Counsel
Contract Settlement
Legal Division
Secret Service
U S Coast Guard
Committee on Practice
Bureau of Accounts
Personnel Division

ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,
Washington, D C, January 13, 1949

SIR I have the honor to make the following report on the finances of the Federal Government for the fiscal year ended June 30, 1948

The fiscal year 1948 was the most prosperous in the history of the Nation Industry, commerce, and agriculture all set new records of peacetime output Business and personal incomes reached unprecedented levels, and living standards during the year were unequalled in our history or in the history of any other country The record output and the record employment which accompanied it were the result of an active demand for nearly all of the products that could be turned out by our farms, factories, mines, and service industries operating at capacity rates

The demand for most consumers' goods and for many essential materials continued to outrun available supplies, with the result that prices in nearly all lines continued to move upward As the President pointed out in his message to the 80th Congress on July 27, 1948, "even with full employment, full use of available materials, and practically full use of plant capacity—all of which we have today—prices are still climbing much faster than production It is obvious that we cannot rely solely on more production to curb high prices Instead, we must attack inflation directly"

The Treasury's part in the direct attack on inflation involved the full use of the measures available for reducing the money supply The most important of these measures was a reduction in the public debt through the use of funds available to the Government as a result of an excess of budget receipts over expenditures This excess, or budget surplus, amounted to $8 4 billion during the fiscal year 1948, of which $6 0 billion was used during the year to reduce the Federal debt While the fiscal year 1948 was the second year since the war in which the Government closed its operations with a surplus, it was the first postwar year in which a substantial reduction in the Federal debt was accomplished entirely by means of the budget surplus In April 1948, however, the Congress reduced taxes This eliminated prospects for a surplus in the fiscal year 1949, and thus put an end to the current debt reduction program of the Treasury

The anti-inflationary effects of the debt reduction operations were supplemented by a general program designed to make credit less attractive to borrowers in order to reduce incentives to further expansion in the money supply. As a part of this program there was a gradual upward revision in the wartime structure of interest rates on short-term Federal securities, commencing in July 1947.

Public Debt

During the fiscal year 1948, the debt of the Federal Government was reduced by $6.0 billion, from $258.4 billion on June 30, 1947, to $252.4 billion on June 30, 1948. At the same time there was a decrease of $5.9 billion in the debt held by the commercial banking system, a reduction which has particular significance, of course, in an inflationary period. These reductions were part of a debt reduction program started on March 1, 1946, which reduced the total public debt by $27.4 billion and the bank-held debt by $30.7 billion in the 28 months ended June 30, 1948.

The $30.7 billion reduction which the Treasury brought about in the Federal security holdings of commercial and Federal Reserve Banks, while at the same time maintaining stable conditions in the Government bond market, was made possible by three developments. First, the availability of surplus funds for debt repayment; second, the transfer of $3.3 billion of Federal securities from bank to nonbank ownership during the course of the debt reduction program; and, third, the flexibility of action which the Treasury experienced in consequence of its previous policy of limiting commercial bank purchases of Federal securities largely to short-term issues.

The funds available to the Treasury for debt reduction came from two sources. From March 1, 1946, to the close of that calendar year, the debt was reduced $20.3 billion through the application of funds in the cash balance, which stood at $26.0 billion at the end of February 1946. With the end of the war, rapidly reduced expenditures and continued high revenues made it possible and desirable for the Government to get along with a much smaller working balance in the Treasury. By the end of December 1946, the wartime portion of the cash balance had been used; the subsequent debt reduction of $7.1 billion, therefore, had to come from a budget surplus.

The net transfer of $3.3 billion of Federal securities from bank to nonbank ownership between the end of February 1946 and the end of June 1948, reflected many shifts in ownership which took place during the period. It is worth particular attention that one of these shifts was an increase of $4.6 billion in the total of savings bonds outstanding. This increase was the result, in part, of the Treasury's policy

of vigorously promoting the sale of savings bonds during the postwar period, which directly combatted inflationary pressures and also acted indirectly against inflation by providing funds for reducing bank-held debt

During the course of the debt management operations since February 1946, the Treasury and the Federal Reserve System have cooperated in open-market activities in order to maintain stability in the Government bond market The necessity for a watchful attitude on this account is a legacy of the war situation, when, in a few short years, the public debt increased more than fivefold The result of this development is that the money and capital markets have come to be dominated by the public debt, and the responsibilities of the Federal Government in the financial markets have increased proportionately

Stability in the Government bond market during the postwar period has made a significant contribution to the achievement of our present unprecedented prosperity This stability will continue to be of the utmost importance in maintaining prosperity But it also has more widespread implications because of the political and economic unsettlement in the world today The rehabilitation, reconstruction, and recovery of most of the friendly nations of the world is founded upon, and is being built upon, the financial and economic strength of this country Confidence in the credit of the United States Government—which is reflected in the condition of the market for our Government securities—has become the keystone upon which rests the economic structure of the world

Foreign Financial Policy

The United States program of financial assistance to and cooperation with foreign countries was advanced considerably in the course of the fiscal year In addition to the loans and credits extended by Government agencies under earlier legislation, special interim aid of $595 million was provided for China, Austria, France, and Italy Under the Foreign Assistance Act of 1948, administered by the Economic Cooperation Administration, in consultation with other agencies of the Government, and a subsequent appropriation act, funds aggregating over $7 billion were provided by the Congress for grants, loans, and guaranties to European countries and China, for programs of civilian aid under the military establishment and for other relief programs for Greece, for international refugees, and the International Children's Emergency Fund of the United Nations The European Recovery Program involves close cooperation by the participating countries with each other and with the United States looking toward

the common objective Significant progress has been made during the first months of this program

These extraordinary steps have been essential to deal with the post-war situation, but governmental aid on this scale is expected to be of limited duration The long-run international financial program of the United States looks toward the development of private investment in foreign countries, and the establishment of monetary and exchange stability so as to make possible the expansion of multilateral world trade, which is important for the economic interests of the United States as well as the economic and political stability of the world as a whole The International Monetary Fund and the International Bank for Reconstruction and Development were in part established to promote the adoption by their member governments of policies looking toward these ultimate objectives In the course of the year considerable progress has been made by these institutions in establishing and developing their policies The Fund has worked toward the adoption of desirable modifications in foreign exchange policies of its members, while the Bank, in addition to its reconstruction loans, has begun making loans for developmental purposes

The National Advisory Council on International Monetary and Financial Problems has been enlarged by the addition of the Administrator for Economic Cooperation to its membership As required by statute, it has coordinated the foreign financial operations of Federal agencies and has advised and consulted with the United States representatives on the international financial organizations to bring about a consistent program It has made recommendations to the President and to the Congress on the financial aspects of United States policies in the international field

Treasury Operations

There follows a detailed discussion of receipts and expenditures, public debt operations, taxation and monetary developments, and other Treasury operations during the fiscal year

John W Snyder,
Secretary of the Treasury

To the Speaker of the House of Representatives

REPORT ON OPERATIONS

SUMMARY OF FISCAL OPERATIONS

Federal Government budget receipts in the fiscal year 1948 exceeded expenditures by $8 4 billion, as compared with a budget surplus during the preceding year of $0 8 billion

Net budget receipts of $44 7 billion were higher than in any other year except 1945 and exceeded receipts in the fiscal year 1947 by $1 5 billion. Budget expenditures amounted to $36 3 billion in the fiscal year 1948, or less than in any year since 1942 Expenditures in the fiscal year 1948 were $6 2 billion less than the 1947 total

The record budget surplus in the fiscal year 1948 enabled the Federal Government to reduce the public debt from $258 3 billion to $252 3 billion during the year The Government's cash balance in the general fund was increased during the year from $3 3 billion on June 30, 1947, to $4 9 billion a year later

A summary of budget results, changes in the public debt, and changes in the general fund balance for the last two fiscal years is shown in the table following Corresponding figures for earlier years are shown in table 1 in the section of tables in the back of the report The figures are on the basis of daily Treasury statements

	1947		1948	
	In billions of dollars			
Budget results				
Net receipts	43 3		44 7	
Expenditures	42 5		[1] 36 3	
Surplus		0 8		[1] 8 4
Less				
Increase or decrease (—), in general fund balance	—10 9		1 6	
Trust accounts etc net expenditures [2]	5		[1] 8	
		—10 4		2 4
Equals Net decrease in public debt		11 1		0 0

NOTE —Figures are rounded and will not necessarily add to totals

[1] Figures exclude effect of transfer of $3 0 billion to the Foreign Economic Cooperation trust fund Section 114 (f) of the Economic Cooperation Act of 1948 required that the sum of $3 0 billion be transferred to this trust fund to be considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949 This bookkeeping transfer has no effect on the actual timing of any expenditures or receipts

[2] Includes clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks

BUDGET RECEIPTS

Total budget receipts in the fiscal year 1948 amounted to $46,361 7 million and were $1,643 4 million greater than in 1947 Receipts attained a near record level in 1948, having been exceeded by receipts of $47,766 5 [1] million in the war year 1945 only Net budget receipts, which consist of total budget receipts less the appropriation to the old age and survivors insurance trust fund, amounted to $44,745 5 million in 1948, an increase of $1,486 7 million over 1947

Receipts in the fiscal years 1947 and 1948, on the daily Treasury statement basis, are compared by major sources in the following table Chart 2 shows receipts by major sources for the fiscal years 1942 through 1948

Source	1947	1948	Increase or decrease (−)	
			Amount	Percent
	In millions of dollars			
Individual income tax	19 628.8	20,996 6	1,367 7	7 0
Corporation income and excess profits taxes	9,676 8	10,174 4	497 7	5 1
Total income and excess profits taxes	29 305 6	31,171 0	1,805 4	6 4
Miscellaneous internal revenue	8,049 5	8 301 4	251 9	3 1
Employment taxes [1]	2,038 5	2 395 7	357 1	17 5
Customs	494 1	421 7	−72 4	−14 6
Miscellaneous receipts	[2] 4,830 7	4 072.0	−758 7	−15 7
Total budget receipts	[2] 44 718 3	46,361 7	1 643 4	3 7
Deduct Appropriation to Federal old age and survivors insurance trust fund	1,459 5	1 616 2	156 7	10 7
Net budget receipts	43,258 8	44 745 5	1,486 7	3 4

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] Includes railroad unemployment insurance contributions
[2] Revised, for explanation, see footnote 3 table 5

All major tax sources with the exception of customs contributed to the excess of 1948 receipts over those of 1947 Income and excess profits taxes accounted for 67 2 percent of total receipts in 1948 as compared with 65 5 percent in 1947, and were mainly responsible for the increase in total budget receipts The increase of $1,865 4 million in receipts from income and excess profits taxes was greater than the gain in total budget receipts, but declines in customs and miscellaneous receipts were sufficient to offset part of the increase in income and excess profits taxes as well as the entire increase in receipts from employment taxes and miscellaneous internal revenue

[1] Revised, for explanation, see footnote 3, table 5

RECEIPTS, CLASSIFIED BY MAJOR SOURCES
FISCAL YEARS 1942 THROUGH 1948

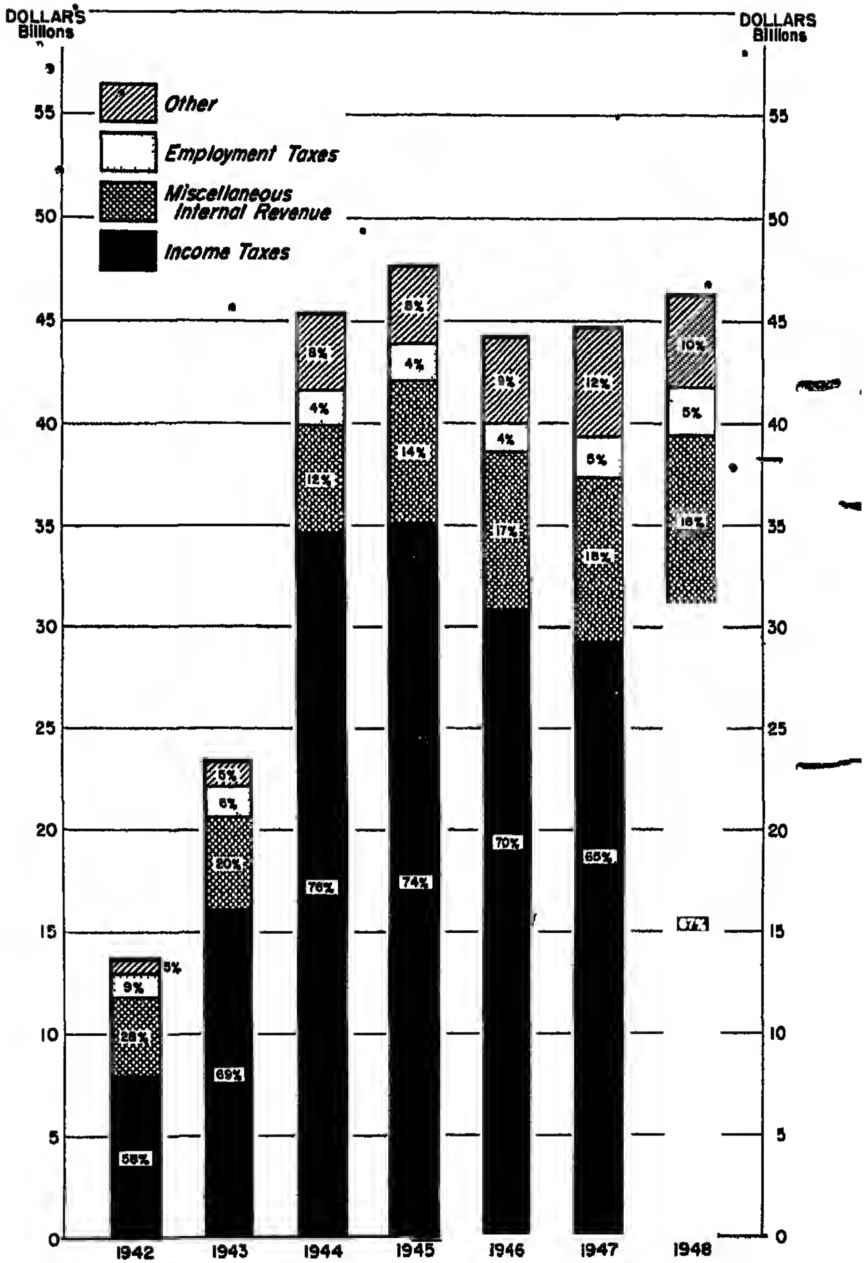


CHART 2

NOTE —Total receipts See table on p 8

Receipts from Income and Excess Profits Taxes

Receipts from income and excess profits taxes amounted to $31,171.0 million in 1948 as compared with $29,305.6 million in 1947. Both individual and corporation tax receipts increased, but the individual income tax contributed the major share of the increase.

INDIVIDUAL INCOME TAXES

For the fifth consecutive year the individual income tax was the most important source of receipts, accounting for $20,996.6 million, or 45.3 percent, of total budget receipts in 1948 as compared with 43.9 percent in 1947.

The details of the yield of the individual income tax are shown in the following table.

Source	1947	1948	Increase or decrease (−)	
			Amount	Percent
	In millions of dollars			
Withheld (daily Treasury statement basis)	10,013.1	11,436.1	1,423.0	14.2
Not withheld				
Current (collection basis)	8,950.3	8,847.5	−102.8	−1.1
Back (collection basis)	551.0	616.8	65.8	11.9
Total not withheld (collection basis)	9,501.3	9,464.3	−37.0	−.4
Adjustment to daily Treasury statement basis [1]	+114.5	+96.2	−18.3	
Total not withheld (daily Treasury statement basis)	9,615.7	9,560.5	−55.3	−.6
Total individual income tax	19,628.8	20,996.6	1,367.7	7.0

NOTE.—Dollar figures are rounded and will not necessarily add to totals.

[1] See footnote 3, table 103.

Individual income taxes withheld by employers increased as a result of the rise in the level of salaries and wages subject to withholding. Receipts from current individual income taxes other than those withheld decreased slightly. The increase in receipts from back individual income taxes reflects the high level of individual income tax liability of the last several years.

CORPORATION INCOME AND EXCESS PROFITS TAXES

Receipts from corporation income and excess profits taxes increased from $9,676.8 million in 1947 to $10,174.4 million in 1948, and accounted for 21.9 percent of total budget receipts in 1948 as compared with 21.6 percent in 1947.

The details of receipts from this source, on a collection basis, are shown in the following table.

Source	1947	1948	Increase, or decrease (—)	
			Amount	Percent
	In millions of dollars			
Current taxes				
Income	5,441 8	8,864 3	3 422 5	62 9
Excess profits	3,076 4	66 3	—3 010 1	—97 8
Declared value excess profits	36 7		—36 7	—100 0
Back taxes [1]	1,121 0	1 243 3	121 9	10 9
Total corporation income and excess profits taxes	9 676 8	10 174 4	497 7	5 1

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] Unjust enrichment tax classified as income tax prior to 1948 and in 1948 included with all repealed taxes in miscellaneous internal revenue

The increase of 5 1 percent in corporation income and excess profits tax receipts in 1948 followed a decline of 22 9 percent in 1947, and a decline of 21 7 percent in 1946

The increase of $497 7 million in corporation income and excess profits tax receipts in 1948 was the result of (1) an increase of $121 9 million in back tax receipts and (2) an increase of $375 7 million in current tax receipts resulting primarily from the rising trend of corporate profits in 1945, 1946, and 1947, which was more than sufficient to offset the progressive disappearance of receipts from the excess profits tax and the declared value excess profits tax, both of which were repealed by the Revenue Act of 1945

Receipts From All Other Sources

MISCELLANEOUS INTERNAL REVENUE

Receipts from the major groups of taxes included in this category are shown in the following table

Source	1947	1948	Increase or decrease (—)	
			Amount	Percent
	In millions of dollars			
Estate and gift taxes	779 3	899 3	120 1	15 4
Liquor taxes	2,474 6	2,255 3	—219 3	—8 9
Tobacco taxes	1,237 8	1 300 3	62.5	5 1
Stamp taxes	80 0	79 5	— 5	— 6
Manufacturers excise taxes	1 425 2	1 649 2	224 0	15 7
Retailers excise taxes	514 2	469 9	—44.3	—8.6
Miscellaneous taxes (including repealed)[1]	1,552 8	1 657 5	104.7	6 7
Total (collection basis)	8,063 9	8,311 0	247 1	3 1
Adjustment to daily Treasury statement basis [2]	—14 4	—9 6	4.8	
Total miscellaneous internal revenue	8,049 5	8 301 4	251 9	3 1

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] See footnote 1 in preceding table
[2] See footnote 3 table 103

Estate and gift taxes —Estate and gift tax collections increased, reflecting the increased value of property transferred

Excise taxes —Total collections from excise taxes amounted to $7,411 7 million in the fiscal year 1948 and were $127 1 million or 1 7 percent in excess of collections in 1947 Collections from tobacco taxes, manufacturers' excise taxes, and miscellaneous excise taxes increased as a result of larger consumer incomes, greater available supplies of goods and services, and higher prices However, collections from liquor taxes and retailers' excise taxes decreased

The greatest increase occurred in collections of manufacturers' excise taxes which amounted to $1,649 2 million in 1948, an increase of 15 7 percent over 1947 The production of most of the commodities in this group was curtailed drastically during the war and demand continued at a very high level A high level of demand continued for most of the goods and services included in the miscellaneous tax group, collections from which amounted to $1,657 5 million, an increase of 6 7 percent over 1947 Collections from small cigarettes, reflecting the long-term upward trend in consumption and higher consumer incomes, accounted for the increase of 5 1 percent in tobacco taxes, to $1,300 3 million in 1948

Collections from liquor taxes decreased 8 9 percent from $2,474 6 million in 1947 to $2,255 3 million in 1948 Small increases occurred in collections from fermented malt liquor and wine but collections from the tax on distilled spirits, the most important single excise tax, decreased substantially from the record levels of 1946 and 1947 Inventory accumulation at wholesale and retail levels was a nonrecurring factor in 1947 collections, and consumption decreased to some extent in 1948

Retailers' excise taxes decreased as the slackening of the abnormal demand for commodities included in this group, which had resulted from war-induced shortages of durable goods, more than offset the effect of higher levels of income

EMPLOYMENT TAXES

The yields of the various employment taxes, on the daily Treasury statement basis, are shown in the following table

Source	1947	1948	Increase	
			Amount	Percent
	In millions of dollars			
Federal Insurance Contributions Act	1,459 5	1,616 2	156 7	10 7
Federal Unemployment Tax Act	184 8	207 9	23 1	12.5
Railroad Retirement Tax Act	380 1	557 1	177 0	46 6
Railroad unemployment insurance contributions[1]	14 2	14 5	3	2 4
Total employment taxes	2,038 5	2,395.7	357 1	17 5
Deduct Appropriation to Federal old age and survivors insurance trust fund	1 459 5	1 616 2	156 7	10 7
Net employment taxes	579 1	779 5	200.4	34 6

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] Not classified as an employment tax under Internal Revenue Code

Total receipts from employment taxes and railroad unemployment insurance contributions amounted to $2,395 7 million in the fiscal year 1948 and were $357 1 million, or 17 5 percent, greater than in 1947 Each separate tax contributed to the increase, and total receipts from this source were larger in 1948 than in any previous fiscal year

The increase of $156 7 million in receipts under the Federal Insurance Contributions Act resulted from an increase in taxable wages The increase of $177 0 million in receipts under the Railroad Retirement Tax Act (Carriers Taxing Act prior to January 1, 1946) in 1948 resulted from larger taxable railroad pay rolls and higher tax rates Receipts for the first three quarters of the fiscal year 1947 were based on a tax rate of 3½ percent each on employers and employees, while receipts for the last quarter of the fiscal year 1947 and for the entire fiscal year 1948 were based on a tax rate of 5¾ percent

CUSTOMS

Customs receipts in the fiscal year 1948 amounted to $421 7 million and were $72 4 million, or 14 6 percent, lower than in the fiscal year 1947 This decline in receipts resulted primarily from the rate reductions which were initiated by the Geneva agreement of October 30, 1947, and which were made effective as of January 1, 1948, by the Presidential Proclamation of December 16, 1947

MISCELLANEOUS RECEIPTS

Miscellaneous receipts in the fiscal year 1948 amounted to $4,072 0 million and were $758 7 million less than miscellaneous receipts of $4,830 7[1] million in the previous fiscal year A decrease of $957 0 million in proceeds from sales of surplus property was responsible

[1] Revised, for explanation, see footnote 3, table 5

BUDGET EXPENDITURES

Budget expenditures amounted to $36 3 billion in the fiscal year 1948, of which 60 percent was accounted for by national defense, international finance and aid, and veterans' expenditures Interest on the public debt and refunds of taxes and duties accounted for another 20 percent

The principal purposes for which expenditures were made during 1947 and 1948 are shown, on the daily Treasury statement basis, in the table which follows Further details on expenditures for these and earlier years are available in chart 3, and in tables 1 through 6 in the section of tables in this report

Year	National defense and related activities	International finance and aid	Veterans	Interest on the public debt	Refunds of taxes and duties	All other	Total
	In billions of dollars						
1947	17 8	4 4	7 3	5 0	3 0	5 5	42 5
1948	11 5	[1] 4 0	6 5	5 2	2 3	6 8	[1] 36 3

NOTE —Figures are rounded and will not necessarily add to totals

[1] Excludes $3 0 billion transfer to Foreign Economic Cooperation trust fund (see footnote 1 to table on page 7 for further explanation)

Total expenditures of $11 5 billion for national defense and related activities were $5 8 billion or one-third less than in 1947 They were 32 percent of all expenditures in 1948 as compared with 41 percent in 1947 Expenditures by the Departments of the Air Force, Army, and Navy together decreased from $12 4 billion in 1947 to $10 4 billion in 1948 Budget expenditures under the Armed Forces Leave Act declined by $1 7 billion from their 1947 peak, and outlays for the United Nations Relief and Rehabilitation Administration declined by $1 2 billion

International finance and aid expenditures were $4 0 billion in 1948, or 10 percent less than in 1947 In both years they were about one-tenth of all expenditures The completion of initial United States expenditures under the Bretton Woods Agreements Act, combined with reduced outlays by the Export-Import Bank and smaller expenditures for the extension of credit to the United Kingdom, resulted in a decline for these programs of $2 2 billion On the other hand, increases in other programs, principally Greek-Turkish assistance, relief to war-devastated countries, government and relief in occupied areas, and interim aid (preliminary to enactment of the Economic Cooperation Act) amounted to $1 8 billion Expenditures under the Economic Cooperation Act during 1948 (exclusive of the transfer of $3 0 billion

EXPENDITURES, BY MAJOR CLASSIFICATIONS
FISCAL YEARS 1942 THROUGH 1948

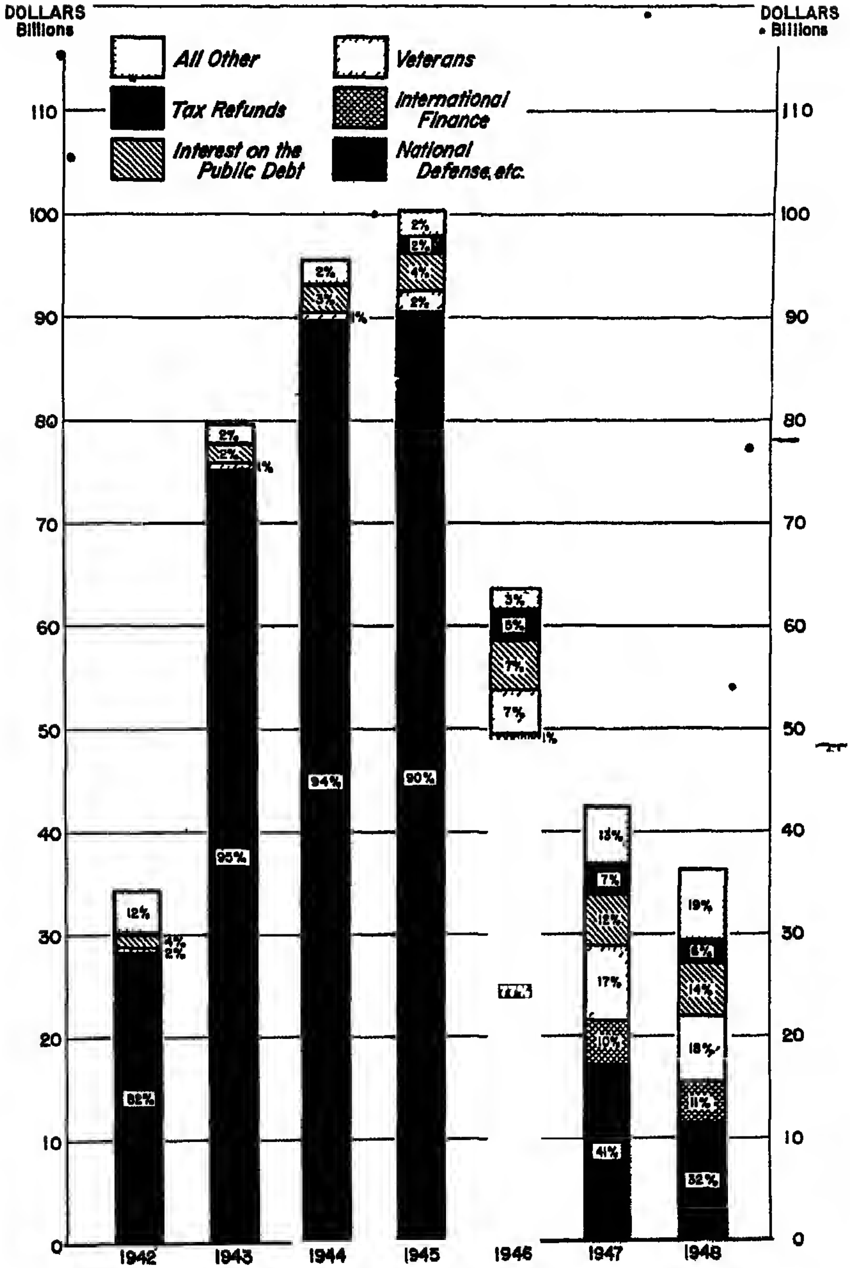


CHART 3

to the Foreign Economic Cooperation trust fund) amounted to only $0 1 billion

Expenditures for veterans declined for the first time since 1942 The decline of $0 8 billion from the peak in 1947 brought veterans' expenditures to $6 5 billion for 1948, which was nearly 18 percent of total expenditures A reduction in the Government's contribution to the national service life insurance fund accounted for all but $0 1 billion of the decrease in veterans' expenditures in 1948 There were also decreases in benefits paid under the Servicemen's Readjustment Act, which provides primarily for the education program and unemployment and other readjustment allowances, but these were almost offset by increases in expenditures for pensions, medical costs, and other services

Interest paid on the public debt totaled $5 2 billion for the fiscal year 1948, and was 14 percent of all expenditures The amount was $0 3 billion more than that paid in 1947, reflecting in large part continued increases in discount accruals on savings bonds and larger interest payments to Government trust funds and investment accounts as their investments increase

Refunds of taxes and duties in the fiscal year 1948 totaled $2 3 billion as compared with $3 0 billion in 1947 In both years, the refunds of income taxes and other internal revenue taxes accounted for nearly the entire amount Excessive prepayments of the individual income tax, which result from overwithholding or overdeclarations of estimated tax, constituted the largest class of internal revenue refunds, amounting to $1 6 billion in 1948, approximately the same amount as in 1947

The remaining budget expenditures totaled $6 8 billion These include the outlays for domestic programs such as aid to agriculture, social security, public works, and housing and home finance, which accounted for over half of the expenditures in this group They also include the running expenses of the Government, such as expenditures for executive departments not reflected elsewhere and for legislative and judicial functions, Government contributions to Federal employees' retirement, atomic energy, aids to education, labor, finance, commerce, and industry, Civil Aeronautics, and the Post Office deficiency These remaining expenditures increased by $1 3 billion from 1947 to 1948, with a large part of the increase accounted for by public works expansion, increased transfers to the railroad retirement account, and larger expenditures for atomic energy

TRUST ACCOUNTS, ETC, RECEIPTS AND EXPENDITURES

Certain accounts are maintained with the Treasurer of the United States for the benefit of individuals or classes of individuals Receipts in these accounts are expended for purposes specified in the trust These receipts and expenditures are not included in the budget receipts and expenditures, but are shown in the daily Treasury statement under the title "Trust accounts, etc"

The Government's payments from general fund appropriations to various trust accounts, such as employees' retirement funds and the national service life insurance fund, are shown under budget expenditures as transfers to trust accounts, and under the various trust accounts as receipts

During the fiscal year 1948 the Foreign Economic Cooperation trust fund was established, in accordance with the provisions of section 114 (f) of the Economic Cooperation Act of 1948, approved April 3, 1948 (see exhibit 44), which required that $3 billion be transferred to this trust fund and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures" The law further provided that "The first expenditures made out of the appropriations authorized under this title in the fiscal year 1949 shall be made with funds requisitioned by the Administrator [for Economic Cooperation] out of the trust fund until the fund is exhausted, at which time such fund shall cease to exist" The effect on the budget of this transfer to the Foreign Economic Cooperation trust fund is explained in footnote 1 to the table on page 7 of this report

A summary of the net transactions in trust accounts, etc, for the fiscal years 1932–48 will be found in table 1, and receipts in and expenditures from trust accounts, etc, by major classifications, for the fiscal years 1940–48 will be found in table 6, and details by months for 1948 in table 4

GENERAL FUND

The general fund represents all moneys of the Government deposited with and held by the Treasurer of the United States

The assets in the general fund include gold, silver, currency, coin, and unclassified collection items, etc, and deposits to the credit of the Treasurer of the United States in Federal Reserve Banks, special depositaries (war loan accounts), national and other bank depositaries, foreign depositaries, and the treasury of the Philippine Islands

The liabilities of the general fund include outstanding Treasurer's checks, deposits of certain Government officers composed of balances to the credit of the Post Office Department, the Board of Trustees

of the Postal Savings System, and postmasters' disbursing accounts, etc, uncollected items, and exchanges

The difference between total assets and total liabilities is the general fund balance On the basis of the daily Treasury statement, the general fund cash balance at the close of the fiscal year amounted to $4,932 million, an increase of $1,624 million during the year Deposits with special depositaries on account of deposits of withheld taxes and sales of Government securities (war loan accounts) increased from $962 million on June 30, 1947, to $1,772 million on June 30, 1948, an increase of $810 million

The net change in the balance of the general fund during the fiscal year is accounted for as follows

Balance June 30, 1947		$3, 308, 136, 929 36
Add		
Budget receipts, net		44, 745, 542, 076 64
Trust accounts, etc , receipts [1]		6, 515, 230, 080 67
		54, 568, 909, 086 67
Deduct		
Budget expenditures, including wholly owned Government corporations [1]	$36, 326, 072, 232 83	
Trust accounts, etc , expenditures	6, 809, 572, 742 28	
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks	507, 106, 038. 81	
Net decrease in gross public debt	5, 994, 136, 595 68	49, 636, 887, 609 60
Balance June 30, 1948		4, 932, 021, 477 07

[1] Excludes transfer of $3,000 000,000 to Foreign Economic Cooperation trust fund

A comparative analysis of the assets and liabilities of the general fund is shown as of June 30, 1947 and 1948, in table 46

PUBLIC DEBT OPERATIONS

The $6 0 billion reduction in the public debt during the fiscal year brought the total down to $252 3 billion on June 30, 1948 During the same period the guaranteed obligations held outside the Treasury were reduced by $16 million, from a total of $90 million to $73 million

The public debt operations during the year were directed toward implementing the Treasury's anti-inflation program Application of a large share of the budget surplus to the retirement of the debt (chiefly bank-held debt) and the raising of interest rates on short-term securities constituted the two principal measures of the program

Curtailment of the amount of the public debt in the fiscal year 1948 was begun moderately in November 1947 with 6 consecutive weekly retirements of 91-day Treasury bills Most of the $6 0 billion curtail-

ment, however, was made in the first four calendar months of 1948, out of the budget surplus accumulated from December through March Proceeds of sales of savings bonds and the sales of a new nonmarketable investment bond limited to nonbank investors contributed to the funds used to pay off securities held by the commercial banking system

Through retirement and refunding operations, the outstanding Treasury bills were reduced during the year by $2 0 billion, the 1-year certificates of indebtedness by $2 7 billion, and the bank-eligible Treasury bonds by $6 9 billion Offsetting these decreases was an increase in Treasury notes of $3 2 billion The net result of these operations was a net decrease in the marketable debt of $8 4 billion Outstanding nonmarketable issues increased by $0 5 billion, while special issues of trust and other funds increased by $2 8 billion Chart 4 shows the public debt and guaranteed obligations outstanding since June 30, 1941, and the accompanying table shows their distribution by classes of securities at the close of each of the last two fiscal years

Public debt and guaranteed obligations outstanding June 30, 1947 and 1948, by classes

[Dollars in millions On basis of daily Treasury statements, see p 393]

Class of security	June 30 1947	June 30, 1948	Increase, or decrease (−)	Percentage distribution: June 30, 1947	Percentage distribution: June 30 1948
Public debt					
Interest bearing					
Public issues					
Marketable					
Treasury bills	$15 775	$13 757	−$2 018	6 1	5 5
Certificates of indebtedness [1]	25, 206	22 588	−2, 708	9 8	8. 9
Treasury notes [1]	8, 142	11 375	3 232	3 2	4 5
Treasury bonds					
Bank-eligible	69 686	62, 826	−6, 861	26. 9	24 8
Bank restricted [2]	49 636	49 636	(*)	19 2	19 7
Subtotal Treasury bonds	119 323	112 462	−6, 861	46 1	44 5
Other bonds (postal savings etc)	166	164	−2	1	1
Total marketable	168, 702	160 346	−8 356	65 3	63 5
Nonmarketable					
Treasury savings notes	5 560	4 394	−1 166	2 2	1 7
United States savings bonds	51 367	53 274	1 907	19 9	21 2
Depositary bonds	325	316	−9	1	1
Armed forces leave bonds	1 793	563	−1 230	7	2
Treasury bonds investment series		959	959		4
Total nonmarketable	59 045	59 506	461	22 9	23 6
Total public issues	227 747	219 852	−7, 895	88 2	87 1
Special issues to trust funds etc	27 366	30, 211	2 845	10 6	12 0
Total interest-bearing public debt	255 113	250 063	−5, 050	98 8	99 1
Matured debt on which interest has ceased	231	280	49	1	1

Footnotes at end of table.

Public debt and guaranteed obligations outstanding June 30, 1947 and 1948, by classes—Continued

[Dollars in millions]

Class of security	June 30, 1947	June 30, 1948	Increase, or decrease (—)	Percentage distribution June 30 1947	Percentage distribution June 30 1948
Public debt—Continued					
Debt bearing no interest					
International Bank for Reconstruction and Development series	$416	$66	—$350	0 2	(*)
International Monetary Fund series	1 724	1,161	—563	7	5
Other	802	722	—80	3	3
Total debt bearing no interest	2 942	1 940	—993	1 1	8
Total public debt	258 286	252 292	—5 994	100 0	100 0
Guaranteed obligations not owned by Treasury					
Commodity Credit Corporation demand obligations	45	42	—3	(*)	(*)
Federal Housing Administration debentures	38	27	—11	(*)	(*)
Other (matured)	6	5	—2	(*)	(*)
Total guaranteed obligations not owned by Treasury	90	73	—16	(*)	(*)
Total public debt and guaranteed obligations	258 376	252 366	—6 010	100 0	100 0

NOTE —Dollar figures are rounded and will not necessarily add to totals For details of public and guaranteed debt outstanding June 30 1948 see tables 20 and 21

*Less than $500 000 or 0 05 percent

[1] If 1 percent 13½ month and 1⅛ percent 13 month Treasury notes outstanding June 30, 1948, which resemble certificates of indebtedness more closely than they do other series of Treasury notes, were reclassified as certificates, these two lines in the table would read

Certificates of indebtedness	$25 206	$30 215	$4 919	9 8	12 0
Treasury notes	8,142	3 748	—4 395	3 2	1 5

[2] Bank restricted issues are those which commercial banks (banks accepting demand deposits) are not permitted to acquire prior to a specified date (See footnote 5, table 102)

MARKETABLE ISSUES

Bonds, notes, and certificates of indebtedness—A total of $36 6 billion of marketable securities, exclusive of Treasury bills, matured or were called during the fiscal year 1948 More than one-sixth of the matured and called securities, over $6 3 billion, was paid in cash The securities exchanged for new issues amounted to $30 2 billion The $6 3 billion redeemed for cash included holdings of the Federal Reserve Banks amounting to $2 9 billion

The matured securities consisted of 11 issues of ⅞ percent 1-year certificates of indebtedness maturing monthly except May, and totaled $25 3 billion, two issues of Treasury notes which matured September 15, bearing interest at 1½ percent and 1¼ percent, respectively, and totaled $4 4 billion, and five issues of Treasury bonds which totaled $6 9 billion Only one issue was retired in full, the 4¼ percent Treasury bonds of 1947–52, which amounted to $759 million The other bond

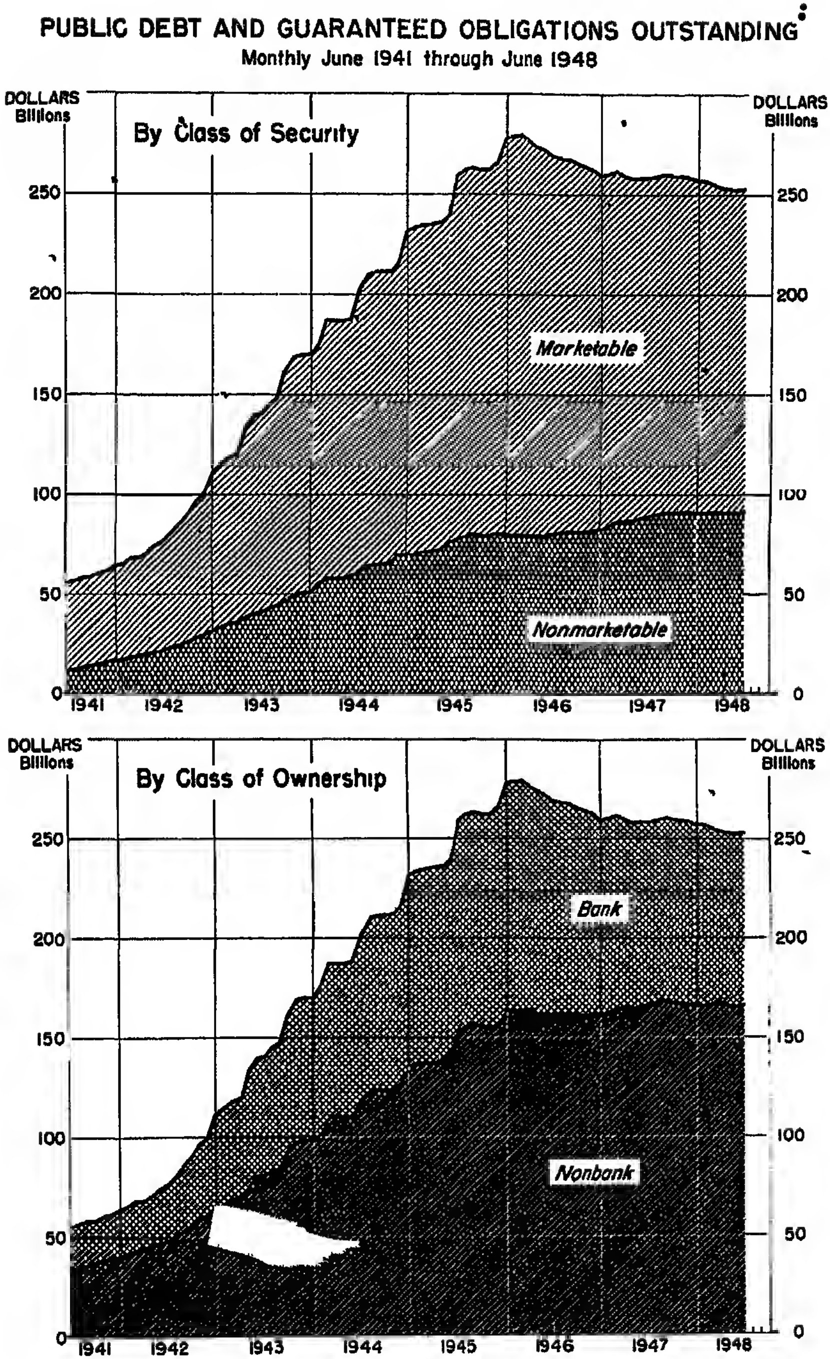

PUBLIC DEBT AND GUARANTEED OBLIGATIONS OUTSTANDING
Monthly June 1941 through June 1948
DOLLARS Billions
By Class of Security
Marketable
Nonmarketable
250
200
150
100
50
0
1941
1942
1943
1944
1945
1946
1947
1948
By Class of Ownership
Bank
Nonbank

CHART 4

issues, the 2 percent bonds due December 15, 1947, the 2 percent bonds of 1948–50 (dated March 15, 1941) and the 2¾ percent bonds of 1948–51 called for redemption on March 15, 1948, and the 1¾ percent bonds of 1948 due June 15, 1948, were refunded

In exchange for the $30 2 billion of securities not paid in cash, there were offered three issues of ⅞ percent certificates of indebtedness maturing in 1 year, 11 months, and 10 months, respectively, two issues of 1 percent certificates maturing in 1 year and 11 months, respectively, five issues of 1⅛ percent 1-year certificates, one issue of 1 percent 11½-month Treasury notes, and one issue of 1⅛ percent 13-month notes

The public offerings and the disposition of matured or redeemable issues, exclusive of bills, are shown in the two tables which follow

Public offerings of bonds, notes, and certificates of indebtedness, fiscal year 1948 [1]

[In millions of dollars]

Date of issue	Description of security	Issued for cash	Issued in exchange for other securities	Total issued
	MARKETABLE ISSUES			
1947	⅞% certificates of indebtedness			
July 1	Series F-1948, due July 1, 1948		2 742	2 742
Aug 1	Series G-1948 due July 1, 1948		1 127	1 127
Sept 1	Series H-1948 due July 1, 1948		2 209	2 209
Sept 15	1% Treasury notes Series B-1948 due Oct 1, 1948		4,092	4 092
	1% certificates of indebtedness			
Oct 1	Series J-1948 due Oct 1 1948		1 354	1 354
Nov 1	Series K-1948, due Oct 1 1948		1 467	1,467
Dec 1	1⅛% Treasury notes, Series A-1949, due Jan 1, 1949		3 535	3 535
1948	1⅛% certificates of indebtedness			
Jan 1	Series A-1949, due Jan 1, 1949		2,592	2 592
Feb 1	Series B-1949 due Feb 1 1949		2 189	2 189
Mar 1	Series C-1949, due Mar 1, 1949		3 553	3 553
Apr 1	Series D-1949, due Apr 1, 1949		1 055	1 055
June 1	Series E-1949 due June 1 1949		4 301	4 301
	Total marketable		30 216	30 216
	NONMARKETABLE ISSUES			
Various	Treasury savings notes Series C	2 144		2 144
Do	United States savings bonds			
	Series E	4 659		4 659
	Series F and G	2,270		2 270
Oct 1 1947	2½% Treasury bonds, investment series	970		970
	Total nonmarketable	10,043		10,043
	Total all issues	10,043	30 216	40,258

NOTE —Figures are rounded and will not necessarily add to totals

[1] Excludes armed forces leave bonds, depositary bonds, special notes of United States and guaranteed obligations

Disposition of maturing or redeemable issues of bonds, notes, and certificates of indebtedness, fiscal year 1948 [1]

[Dollars in millions]

Date of refunding or retirement	Description of security	Redeemed for cash by— Federal Reserve Banks [2]	Redeemed for cash by— Others [3]	Redeemed for cash by— Total	Exchanged for new security	Total	Percent exchanged
	MARKETABLE ISSUES						
1947	⅞% certificates of indebtedness						
July 1	Series F–1947 due July 1 1947		$174	$174	$2 742	$2 916	94 0
Aug 1	Series G–1947 due Aug 1, 1947		97	97	1,127	1 223	92 1
Sept 1	Series H–1947 due Sept 1 1947		132	132	2 209	2,341	94 4
Sept 15	Treasury notes due Sept 15 1947						
	1½% Series A–1947		127	127	2 580	2 707	95 3
	1¼% Series C–1947		175	175	1 512	1,687	89 6
Oct 1	⅞% certificates, Series J–1947 due Oct 1, 1947		86	86	1 354	1,440	94 1
Oct 15	4¼% Treasury bonds of 1947–52, called for redemption Oct 15, 1947		759	759	-	759	-
	⅞% certificates of indebtedness						
Nov 1	Series K–1947, due Nov 1 1947	$203	104	308	1 467	1 775	82.7
Dec 1	Series L–1947 due Dec 1 1947	139	234	373	2 908	3 281	88 6
Do	2% Treasury bonds of 1947, due Dec 15 1947		74	74	627	701	80 4
1948	⅞% certificates of indebtedness						
Jan 1	Series A–1948 due Jan 1 1948	400	142	542	2 592	3 134	82.7
Feb 1	Series B–1948 due Feb 1 1948	1,614	144	1 758	2 189	3 947	55 5
Mar 1	Series C–1948, due Mar 1 1948	285	169	454	1 687	2 142	78.8
Do	Treasury bonds called for redemption Mar 15 1948						
	2% of 1948–50 (dated Mar 15, 1941)	75	142	216	899	1 115	80 6
	2¾% of 1948–51	100	156	257	967	1 223	79 0
	⅞% certificates of indebtedness						
Apr 1	Series D–1948 due Apr 1, 1948	106	160	260	1 055	1 821	79.8
June 1	Series E–1948, due June 1, 1948		159	159	1 618	1,777	91 0
Do	1¾% Treasury bonds of 1948 due June 15 1948		378	378	2 683	3 062	87 6
	Total marketable issues	2 923	3 413	6 336	30 216	30 551	82 7
	NONMARKETABLE ISSUES						
Various	Treasury tax and savings notes	-	[3] 3 303	[3] 3 303	-	[3] 3 303	-
Do	United States savings bonds						
	Series A–D		516	516		516	
	Series E		3 825	3 825		3 825	
	Series F and G		772	772		772	
Do	2½% Treasury bonds, investment series		11	11		11	-
	Total nonmarketable issues		8,427	8 427		8 427	
	Total all issues	2 923	11 840	14 762	30 216	44 978	-

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] Excludes armed forces leave bonds, depositary bonds, postal savings bonds, special notes of United States and guaranteed obligations

[2] Beginning with November 1947 operation arrangements were made between Treasury and Federal Reserve System whereby all or part of System s holdings of certain maturing and called securities would be presented for cash redemption

[3] Includes tax and savings notes in amount of $1,331 million surrendered in payment of taxes

Treasury bills —Offerings of 91-day Treasury bills were made weekly during the year In furtherance of the Treasury policy of retiring debt held by the commercial banking system, $2,000 million of bills were retired for cash

Full exchange offerings for maturing bills were made weekly through October 1947 Beginning with the bills dated November 6, however, through those dated December 11, weekly cash retirements of $100 million were made Retirements during this period totaled $600 million After four intervening weeks when maturities were refunded in full, cash retirements were begun again with the bills dated January 15 For 13 consecutive weeks ending with April 8, weekly retirements were made which totaled $1,400 million Each retirement was for $100 million, except the issue dated March 18, when $200 million were retired The 13 issues outstanding at the end of the fiscal year 1947 totaled $15,775 million, the 13 issues outstanding at the end of the fiscal year 1948 totaled $13,757 million

Early in July 1947 the rate on 91-day Treasury bills, which had been held at ⅜ of 1 percent during the entire war period, was allowed to rise The bills dated July 10 were accepted at an average interest rate of 0 594 percent, and throughout the year the rates were gradually increased until by the end of June 1948 the average rate was close to 1 percent The interest rate on 1-year certificates, which had been ⅞ of 1 percent for the entire war period, was gradually increased to 1⅛ percent

The 52 issues of Treasury bills offered during the year were sold at an average rate of discount ranging gradually upward from 0 376 percent to 0 998 percent Bids on a fixed price basis averaged about $35 million a week and amounted in the aggregate to about 3 percent of all bids accepted

Further information concerning Treasury bills is found in exhibits 5 through 7, and in table 27

Nonmarketable Issues

Sales of nonmarketable securities[1] during the fiscal year totaled $10 0 billion and redemptions totaled $8 4 billion Sales of savings bonds Series E, F, and G totaled $6 9 billion, including accrued discount, and of Treasury savings notes, $2 1 billion Subscriptions to the new nonmarketable Treasury bonds, investment series, on sale

[1] Sales and redemptions as summarized in this paragraph exclude armed forces leave bonds depositary bonds, postal savings bonds, and special notes of the United States

briefly in the autumn of 1947, were nearly $1.0 billion. Redemptions of savings bonds, Series A–G, totaled $5.1 billion, of tax and savings notes, $3.3 billion, and of Treasury bonds, investment series, $11 million.

United States savings bond sales and redemptions.—Sales of United States savings bonds (including discount accruals) exceeded redemptions during the year by $1,926 million. Sales amounted to $6,235 million, issue price. As of June 30, 1948, the value of unmatured savings bonds outstanding, at current redemption value, amounted to $53,274 million. This amount was 21.2 percent of the total public debt and guaranteed obligations outstanding, as compared with 19.9 percent a year earlier. The amount of savings bonds issued, with accruals added, since inception was $78,891 million. Redemptions totaled $25,559 million, and as of June 30, 1948, there were 67.6 percent of the savings bonds issued still outstanding.

Nearly 65 percent of the savings bonds sold in 1948 were Series E bonds. Sales of this series were only slightly less than in 1947, and their leveling off was in marked contrast to the sharp declines in sales which took place in the two years following the August 1945 victory.

Since the peak in March 1946, savings bond redemptions have declined, with the net result that the amount of savings bonds outstanding is still rising. Redemptions of all savings bonds during 1948 amounted to $5,113 million, including accrued discount. The matured A, B, and C bonds continued to increase the redemption total, and F and G bond redemptions during the year were somewhat greater than in 1947. More than offsetting these increases, however, was a sharp decline in E bond redemptions, which were $566 million less than in 1947.

Monthly redemptions as a percentage of the amount outstanding of all series of savings bonds declined in 1948. The ratio of 0.69 percent, which was the lowest in three years, was reached in November 1947 and again in February 1948.

The redemption experience of savings bonds by yearly series is summarized in the following table. An analysis of these data by denominations is given in table 38.

Percent of savings bonds sold in each year redeemed through each yearly period thereafter [1]

[On basis of Public Debt accounts, see p 303]

Series and calendar year in which issued	Redeemed by end of— 1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
	Series A through E								
A-1935	5	11	16	20	23	26	28	29	31
B-1936	6	12	17	21	24	26	28	29	30
C-1937	7	12	17	20	23	25	26	27	20
C-1938	5	10	15	18	19	21	22	24	26
D-1939	4	9	13	15	17	18	20	23	25
D-1940	4	8	11	13	15	18	20	22	
D-1941 and E-1941	3	7	10	13	17	21	25		
E-1942	8	15	21	29	35	40			
E-1943	15	24	34	41	47				
E-1944	19	33	41	47					
E-1945	28	38	45						
E-1946	23	34							
E-1947	21								
Average, Series A-E issued through Dec 31, 1941	5	10	14	17	20	22	24	26	28
Average Series E issued from Jan 1, 1942	10	29	35	39	41	40			
	Series F and G								
F-1941 and G-1941	1	3	5	7	10	13	15		
F-1942 and G-1942	1	4	7	11	14	18			
F-1943 and G-1943	2	6	10	14	16				
F-1944 and G-1944	2	6	10	14					
F-1945 and G-1945	2	7	11						
F-1946 and G-1946	3	7							
F-1947 and G-1947	3								
Average Series F and G issued from May 1, 1941	2	6	9	12	14	15	15		

NOTE —The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year, and before July 1 of succeeding calendar years Both sales and redemptions are taken at maturity value The average percentages shown above are simple averages of the percentages for the applicable annual series

1 Percentages by denominations may be found in table 38

Detailed information on savings bonds from March 1935, when savings bonds were first offered, through June 1948 is contained in tables 33 through 38

Treasury notes, tax series and savings series —Treasury savings notes were sold during the fiscal year 1948 in the face amount of $2,144 million Redemptions of tax and savings notes totaled $3,303 million Of the total amount redeemed, $1,331 million were applied in payment for taxes and $1,972 million were paid in cash At the end of the year, there were outstanding $4,394 million of unmatured Series C savings notes compared with $5,560 million a year earlier (See table 39)

Treasury bonds, investment series —A new nonmarketable bond, announced on August 18, was offered in response to investor demand for a greater supply of long-term bonds The bonds, designated 2½

percent Treasury bonds, Investment Series A–1965, are dated October 1, 1947, and will mature October 1, 1965 Subscriptions to the bonds were accepted from September 29 through October 8, 1947 The amount of the offering was not specifically limited, and subscriptions totaled $970 million

The bonds may not be called for redemption before maturity, but holders may redeem them on the first of any calendar month at fixed redemption values Details of the offering, including the table showing investment yields and redemption values by six months' periods, are shown in exhibit 8

Armed forces leave bonds—The Armed Forces Leave Act of 1946 was amended by Public Law 254, approved July 26, 1947, to make the armed forces leave bonds redeemable in cash after September 1, 1947, at the option of the holder Accordingly, arrangements were made by the Treasury with banks and other financial institutions throughout the country, which qualified as official paying agents of the Treasury, to cash the bonds without cost to the owners Bonds presented for payment are cashed at their face value plus accrued interest of 2½ percent

The bonds had been issued to members and former members of the armed forces of the United States under authority of the Armed Forces Leave Act, approved August 9, 1946, in settlement and compensation of accumulated leave Under the act, bonds were made payable 5 years from issue date, but were acceptable in payment of United States Government life insurance or national savings life insurance, and were subject to immediate payment in event of death of the owners

During the fiscal year 1948, there were $234 million leave bonds issued and $1,463 million retired Since the beginning of the program, $2,081 million leave bonds have been issued and $1,517 million retired, leaving a total of $564 million outstanding

Amendments to the regulations governing the issuance and redemption of armed forces leave bonds, approved September 2, 1947, appear as exhibit 14

Special issues—During the year the Treasury continued to issue special series of interest-bearing securities for trust and other funds deposited in the Treasury The amount of obligations outstanding increased by $2,845 million, and the total outstanding as of June 30, 1948, amounted to $30,211 million Details will be found in table 20

Special notes of the United States—Special noninterest-bearing notes of the United States were issued in the amount of $1,782 million as a part of the payment made in February 1947 by the United States of its subscription to the International Bank for Reconstruction and Development and the International Monetary Fund (see annual

report for 1947, page 48) During the fiscal year 1948, the International Bank redeemed $350 million of the special notes that had been issued to it, leaving $66 million outstanding and held by the Bank Of the special notes issued to the International Monetary Fund, $563 million were redeemed, leaving $1,161 million outstanding In accordance with the treatment of such payments and repayments as public debt transactions of the United States, the debt bearing no interest was reduced by the amount of $913 million

Cumulative Sinking Fund

Credits accruing to the sinking fund amounted to $603 million which, added to the unexpended balance of $6,113 million brought forward from the previous year, made available $6,716 million for the fiscal year 1948 Of this amount, $747 million was used toward the retirement of the 4¼ percent Treasury bonds of 1947–52, which were called during the year The unexpended balance of $5,969 million was carried forward to the fiscal year 1949

Tables 30 and 31 show the transactions on account of this fund since its inception on July 1, 1920

Securities Issued by Corporations and Certain Other Business-Type Activities of the Government

The Treasury continued during the year the policy announced in October 1941 under which funds needed by Government corporations are provided by the Treasury instead of by the sale of guaranteed securities in the open market The Congress incorporated this policy into law with respect to the Reconstruction Finance Corporation (Public Law 132, approved June 30, 1947), which requires that Corporation to issue its obligations to the Secretary of the Treasury Several subsequent laws enacted contain similar requirements with respect to both corporations and agencies

Section 303 (a) of the Government Corporation Control Act of 1945 (Public Law 248, approved December 6, 1945) requires that all bonds, notes, debentures, and other similar obligations issued subsequent to the enactment of this law by any wholly owned or mixed-ownership Government corporation, and offered to the public, be subject to such conditions as have been or may be approved by the Secretary of the Treasury

During the fiscal year 1948 the Treasury, in accordance with the President's recommendation in his 1948 Budget Message, adjusted the interest rates on advances to Government corporations and certain agencies to bring such rates more nearly in line with the interest cost to the Treasury on its borrowings In most cases the interest rates

now in effect are based upon the average rate on outstanding marketable obligations of the United States As a matter of practice the interest rates charged the corporations and agencies are stated in terms of the nearest ⅛ of 1 percent under such average rate On June 30, 1948, the computed average interest rate on outstanding marketable obligations of the United States was 1 942 percent, resulting in a rate of 1⅞ percent for the corporations and agencies involved In other instances where the advances by the Treasury are of a short-term character, lower rates have been established, taking into consideration the interest cost to the Treasury of its short-term borrowings

Table 74 shows, by corporations and agencies, the amounts of obligations authorized to be outstanding, the amounts actually outstanding, and the holders of these securities, as of June 30, 1948

GUARANTEED OBLIGATIONS NOT HELD BY THE TREASURY

Obligations fully guaranteed by the United States were held by the public on June 30, 1948, in the amount of $73 million, which includes both matured and unmatured obligations The guaranteed obligations held by the public on June 30, 1938–48, classified by issuing agencies, are shown in table 16, and a description of these obligations outstanding June 30, 1948, is given in table 21

During the fiscal year 1948, the amount of mortgages that could be insured under title VI of the National Housing Act, as amended, was increased from $3 8 billion to $6 1 billion, by acts approved August 5 and December 12, 1947, and March 31, 1948 The aggregate amount of principal obligations of all mortgages insured by the Federal Housing Administration under titles II and VI was limited to $10 1 billion as of June 30, 1948, and upon approval by the President may be increased with respect to title II by an amount not exceeding $1 billion The unused mortgage insurance authorizations for these two titles amounted to $1 6 billion at the end of the fiscal year 1948 In addition, the Commissioner of the Federal Housing Administration was authorized to incur total liabilities of $165 million under title I of the National Housing Act, as amended, for insured renovation and modernization loans

OBLIGATIONS HELD BY THE TREASURY

Obligations issued by corporations and certain other business-type activities of the Government and held by the Treasury on June 30, 1938–48, are shown in table 17, and a description of these obligations outstanding June 30, 1948, is shown in table 22

The Congress, by Public Law 266, approved July 30, 1947, authorized the Administrator of the Rural Electrification Administration to borrow funds amounting to $225 million from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of the

Rural Electrification Act of 1936, as amended Public Law 519, approved May 10, 1948, increased this authorization to $400 million, which together with the loans of $510 8 million and the undisbursed commitments of $329 3 million transferred from the Reconstruction Finance Corporation pursuant to Public Law 266, approved July 30, 1947, allowed gross borrowing of $1,240 1 million Repayments amounting to $12 1 million have reduced this amount, as of June 30, 1948, to $1,228 1 million

Under the provisions of Public Law 363, approved August 5, 1947, the Federal Deposit Insurance Corporation was authorized to borrow from the Secretary of the Treasury not exceeding in the aggregate $3 billion outstanding at any one time

The Virgin Islands Company was authorized to issue its notes to the Secretary of the Treasury for its 1948 budget program in the amount of $250 thousand, and by act of June 30, 1948 (Public Law 860), another authorization of $500 thousand was given and appropriation made therefor

Public Law 472, approved April 3, 1948, provided for the establishment of the Economic Cooperation Administration Under section III (c) (2), the Administrator for Economic Cooperation was authorized to issue notes from time to time for purchase by the Secretary of the Treasury in an amount not exceeding in the aggregate $1 billion, for the purpose of allocating funds to the Export-Import Bank of Washington in connection with loans made under the provisions of this act, and also for carrying out the guaranties made under the act (See exhibit 44) No allocations had been made as of June 30, 1948

Under the provisions of Public Law 820, approved June 29, 1948, the Secretary of the Army was authorized to issue notes from time to time for purchase by the Secretary of the Treasury not to exceed in the aggregate $150 million outstanding at any one time The proceeds of these notes shall be used by the Secretary of the Army as a revolving fund for the purpose of purchasing certain materials produced in the United States, transporting such materials to occupied areas for processing, and selling products obtained from such processing The proceeds from the sale of such products are to be returned to the revolving fund, and the Secretary of the Army is required to make a complete report to the Congress annually with respect to the status of the fund

Pursuant to Public Law 860, approved June 30, 1948, the borrowing authority of the Federal Farm Mortgage Corporation was reduced from $2 billion to $500 million outstanding at any one time While the Congress in this instance did not restrict the issuance of bonds to the Secretary of the Treasury, the Treasury's policy of financing corporations where authorized will continue in effect

Public Law 132, effective July 1, 1947, amending the Reconstruction Finance Corporation Act, authorized future borrowings from the Secretary of the Treasury in an amount outstanding at any one time sufficient to carry out its functions As a result of the large cancellations pursuant to acts of Congress (see table on page 104), there were no Reconstruction Finance Corporation obligations outstanding as of June 30, 1948

Interest on the Public Debt

Interest payments on the public debt during the year amounted to $5,211 million, compared with $4,958 million (daily Treasury statement basis) in 1947 The increase of $253 million in interest payments during 1948 does not include a full year's interest saving resulting from the debt retirements, because the bulk of the retirements were made in the second half of the fiscal year, in the first four calendar months of 1948 The saving from this source, however, will be offset in part by the increase in short-term interest rates The increase in the rates on certificates of indebtedness will not be reflected in interest payments until their maturity in 1949

Interest payments by classes of securities are summarized in the following table

Interest paid in the fiscal years 1947 and 1948 on outstanding public debt, by class of security

[In millions of dollars On basis of Public Debt accounts, see p 393]

Security class	Interest paid		
	1947	1948	Increase, or decrease (−)
Marketable			
Bills	63	132	69
Certificates of indebtedness	247	202	−46
Notes	190	87	−103
Bonds	2 763	2,740	−22
Subtotal	3,264	3 161	−102
Nonmarketable			
Armed forces leave bonds	2	67	65
Savings bonds	1 000	1,150	149
Tax and savings notes	81	63	−18
Treasury bonds, investment series		12	12
Depositary bonds	7	6	−1
Adjusted service bonds	2	1	−1
Subtotal	1 092	1,298	206
Special issues	602	728	126
Total	4,958	5 188	

Note —Figures are rounded and will not necessarily add to totals Only the discount currently accruing on savings bonds is included in interest payments. On the other hand, interest on armed forces leave bonds and savings notes is paid only at time of redemption

YIELDS OF OBLIGATIONS OF THE UNITED STATES
BASED ON CLOSING PRICES

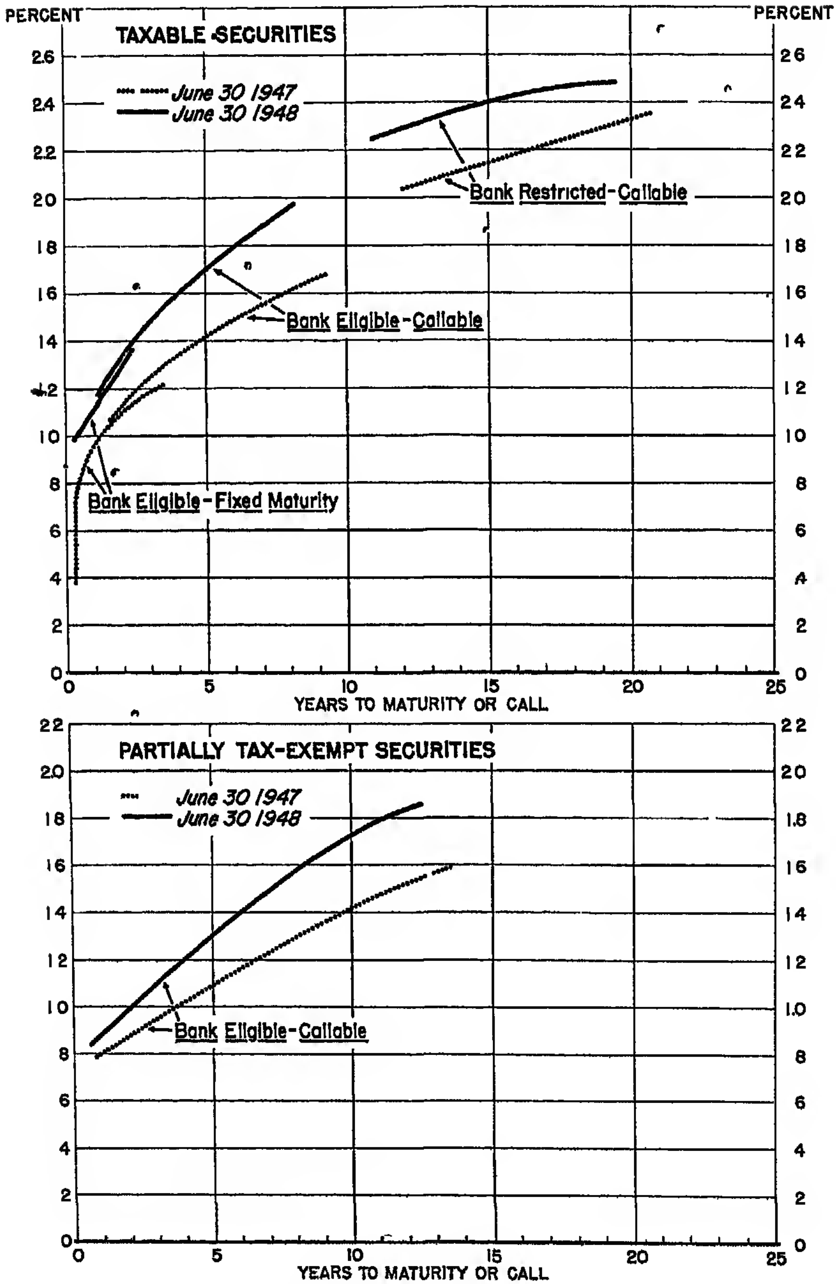


CHART 5

NOTE —Partially tax-exempt securities with fixed maturities and wholly tax-exempt securities are omitted because they are too few in number and too small in outstanding amount to permit drawing a significant curve

All bank restricted issues are callable and all partially tax-exempt issues are bank-eligible

The computed average rate on the total interest-bearing debt outstanding on June 30, 1948, was 2 182 percent, compared with 2 107 percent a year earlier This increase was due principally to the rise in rates on short-term securities and the continued issuance of nonmarketable and special issues at higher than average rates The term structure of interest rates on Government securities as of June 30, 1947 and 1948, is compared in chart 5

Statutory Limitation on the Public Debt and Guaranteed Obligations

Section 21 of the Second Liberty Bond Act, as amended by the Public Debt Act of June 26, 1946, limits the amount of obligations issued under authority of the act to $275 billion outstanding at any one time This limitation applies to the public debt and to those obligations of Government corporations and other business-type activities which are fully guaranteed by the United States (except such obligations held by the Treasury)

As of June 30, 1948, the unused borrowing authorization was $23 5 billion The balance issuable at the end of the fiscal year 1948 and an analysis of the public debt and guaranteed obligations outstanding as affected by the debt limitation are shown in table 24

OWNERSHIP OF FEDERAL SECURITIES [1]

During the fiscal year 1948 the gross Federal debt declined from $258½ billion to $252½ billion These levels compare with a peak of debt of $280 billion reached at the end of February 1946

The banking system—that is, commercial banks and the Federal Reserve Banks—together held $86 billion of Federal securities on June 30, 1948, as compared with $92 billion a year earlier and almost $117 billion at the peak of debt Nonbank investors in the aggregate have shown practically no change in their holdings of Federal securities during the last fiscal year, with ownership of $166½ billion both at the beginning and end of the period Nonbank investment in Federal securities increased by more than $3 billion between the peak of debt and June 30, 1948

Since the debt retirement program began, a major objective of Treasury debt management has been to reduce holdings of securities by the banking system as an anti-inflationary measure This program was reflected in the decline in bank-held debt from February 28, 1946, through June 30, 1948, of $30½ billion, as compared with a decline in total debt of $27½ billion On June 30, 1948, the banking system held only 34 percent of total debt outstanding as compared with 42 percent at the peak of debt and 39 percent on June 30, 1941

[1] Gross public debt, and guaranteed obligations of Federal Government held outside of Treasury

The figures on bank and nonbank ownership, along with further detail on the holdings of Federal securities by various investor classes, are shown in the table following

Ownership of Federal securities by investor classes [1] for selected dates, 1941–48

	June 30 1941	June 30 1943	June 30 1945	Feb 28 1946 [2]	June 30 1946	June 30 1947	June 30 1948
	Amounts in billions of dollars						
A Estimated ownership by							
1 Nonbank investors							
a Individuals [3]	11.5	31.7	59.8	64.6	64.1	67.1	67.0
b Other nonbank investors							
(1) Insurance companies	7.1	13.1	22.7	24.8	25.3	25.0	23.2
(2) Mutual savings banks	3.4	5.3	9.6	11.1	11.5	12.1	12.0
(3) Other corporations and associations [4]	2.4	15.5	30.9	27.9	25.3	22.3	20.7
(4) State and local governments	.0	1.5	5.3	6.7	6.5	7.1	7.8
(5) Federal Government investment accounts	8.5	14.3	24.0	28.0	29.1	32.8	35.7
(6) Total other nonbank investors	22.0	49.7	93.3	98.4	97.6	99.4	99.4
c Total nonbank investors	33.5	81.4	153.1	163.1	161.7	166.5	166.4
2 Banks							
a Commercial banks	19.7	52.2	84.2	93.8	84.4	70.0	64.6
b Federal Reserve Banks	2.2	7.2	21.8	22.9	23.8	21.0	21.4
c Total banks	21.8	59.4	106.0	116.7	108.2	91.0	85.9
3 Total gross debt outstanding	55.3	140.8	259.1	279.8	269.9	258.4	252.4
	Percent of total						
B Percent owned by							
1 Nonbank investors							
a Individuals [3]	21	22	23	23	24	26	27
b Other nonbank investors	40	35	36	35	36	38	39
c Total nonbank investors	61	58	59	58	60	64	66
2 Banks	39	42	41	42	40	36	34
3 Total gross debt outstanding	100	100	100	100	100	100	100

NOTE —Figures are rounded and will not necessarily add to totals

[1] Comprises gross public debt and guaranteed obligations of Federal Government held outside of Treasury
[2] Peak of debt.
[3] Includes partnerships and personal trust accounts
[4] Includes savings and loan associations, dealers and brokers and investments of foreign balances and international accounts in this country

Individuals are the largest nonbank holders of Federal securities, with $67 billion (or more than a quarter of the total debt) on June 30, 1948 Nearly $47 billion of their holdings were in savings bonds, with two-thirds in Series E bonds The remaining $20 billion of individual holdings were concentrated in long-term marketable securities

Holdings of Federal securities by insurance companies amounted to $23 billion at the end of June 1948, with more than $17 billion in bank-restricted bonds Life insurance companies accounted for

$18½ billion of Federal securities and fire, casualty, and marine insurance companies, $4½ billion Life insurance companies' holdings of Federal securities on June 30, 1948, had an average length to first call or maturity of a little over 15 years

Mutual savings banks' holdings of Federal securities amounted to $12 billion on June 30, 1948, with $8½ billion in bank-restricted bonds The average length to first call or maturity of Federal securities held by mutual savings banks as of June 30, 1948, was approximately 12 years, or a little less than in the case of life insurance companies

Holdings of Federal securities by the other corporation and association group amounted to almost $21 billion on June 30, 1948 Nonfinancial corporations themselves held approximately $12½ billion in Federal securities on this date Of the remaining $8½ billion, about one-third was accounted for by holdings of securities by the International Bank for Reconstruction and Development, the International Monetary Fund, and the investment of foreign balances in the United States Nonprofit institutions (fraternal benefit associations, credit unions, endowments, pension and welfare funds, labor organizations, etc) are estimated to account for a little over one-third with a little less than one-third reflecting holdings by dealers and brokers and savings and loan associations About $3½ billion of the holdings of the other corporation and association group was in savings notes and $4½ billion in savings bonds About $1 billion was in noninterest-bearing notes issued to the International Bank and Monetary Fund and the remaining $12 billion was in marketable securities

Holdings of Federal securities by State and local governments on June 30, 1948, amounted to almost $8 billion, largely concentrated in marketable securities Federal Government investment accounts held $35 7 billion of Federal securities on June 30, 1948, all but $5 5 billion of which was invested in special issues Social security and military insurance funds accounted for the bulk of these investments

Commercial banks held $64½ billion of Federal securities at the end of the fiscal year 1948 About $44 billion was invested in bank-eligible bonds, 80 percent of which were due or callable within 5 years Commercial banks also held $17½ billion of bills, certificates, and notes The average length to first call or maturity of securities held by all commercial banks in the country amounted to slightly less than 4 years as of June 30, 1948 Federal Reserve Bank holdings of Federal securities of $21 4 billion on June 30, 1948, consisted of $6 2 billion of bonds, $6 6 billion of certificates and notes, and $8 6 billion of bills

Changes in Ownership of Federal Securities During 1948

Holdings of Federal securities by commercial banks and the Federal Reserve Banks declined by $5 9 billion during the fiscal year 1948 and accounted for all but $0 1 billion of the $6 0 billion decline in total debt

Marketable debt declined by $8 4 billion during the year, with nearly three-fourths of the decline reflected in bank holdings The decline of $6 0 billion in bank holdings of marketables was almost exactly equal to the total reduction in bank-held debt during the year Nonbank investors in the aggregate reduced their holdings of marketables by $2 3 billion during 1948 but they approximately offset the decline by adding to their holdings of special issues to Government investment accounts, savings bonds, and other nonmarketable securities

The detail on changes in holdings of various types of Federal securities by nonbank investors, by commercial banks, and by the Federal Reserve Banks is shown in the following table

Estimated changes in bank vs nonbank ownership of Federal securities by type of issue, fiscal year 1948[1]

[In billions of dollars]

	Total change in amount outstanding	Change accounted for by			
		Nonbank investors	Banks		
			Total	Commercial	Federal Reserve
A Marketable securities					
1 Treasury bills	−2.0	2 3	−4 3	1 6	−5 9
2 Certificates of indebtedness	−2 7	−1.0	−1 7	(*)	−1 7
3 Treasury notes	3 2	1 9	1 3	−3	1 6
4 Treasury bonds	−6 9	−5 5	−1 4	−6 9	5 5
5 Total marketable	−8 4	−2 3	−6 0	−5 5	−5
B Nonmarketable securities, etc					
1 Savings bonds	1 9	2 0	−1	−1	
2 Savings notes	−1 2	−1 1	(*)	(*)	
3 Investment bonds	1 0	7	3	3	
4 Armed forces leave bonds	−1 2	−1 2			
5 Special issues to Government investment accounts	2.8	2 8			
6 Notes to International Bank and Monetary Fund	−9	−9			
7 Other	(*)	(*)	(*)	(*)	
8 Total nonmarketable, etc	2.4	2.2	1	1	
C Total change	−6 0	−1	−5 9	−5.4	−5

Note —Figures are rounded and will not necessarily add to totals

*Less than $50 million

[1] Gross public debt, and guaranteed obligations of Federal Government held outside of Treasury

Purchases of special issues, savings bonds, and other nonmarketable securities from the Treasury (there were no cash offerings of marketables during the year) amounted to approximately $13 billion in the fiscal year 1948 As partial offsets to these sales the Treasury redeemed $11 billion of securities other than marketables These transactions affected almost entirely ownership by nonbank investors

Treasury cash maturities of marketables during the year amounted to $8 4 billion Three-fourths of these pay-offs were made on securities held by banks, principally Federal Reserve Banks The amounts of these pay-offs of bank-held securities by the Treasury were approximately equal to the net decline in bank holdings of marketables, since on net balance the banking system sold only $0 1 billion in the market during the year

The net market transactions of only $0 1 billion between the banking system and nonbank investors as a group, however, obscure rather significant purchases and sales in the market Nonbank investors sold 60 percent of the nearly $6 billion of Treasury bonds which Federal Reserve Banks purchased in the market during the year, with the other 40 percent coming from commercial banks On the other hand, nonbank investors as a group replaced these bond holdings by roughly equivalent purchases of shorter-term issues Nonbank investors picked up 30 percent of the $4 billion of certificates and notes liquidated in the market by commercial banks during this period In addition, nonbank investors purchased about 60 percent of the $4 billion market sales of bills by the Federal Reserve Banks

Insurance companies had net sales of $2 0 billion of Federal securities in the market during 1948 with $2 3 billion sales of bonds and a small increase in bills, certificates, and notes Mutual savings banks and individuals both showed small net sales during the year The other corporation and association group added an estimated $1 4 billion to its holdings through market purchases, largely short-term issues, while State and local governments bought $0 9 billion

The figures for transactions in Federal securities for each of the nonbank investor classes as well as for commercial banks and the Federal Reserve Banks are shown in the following table

Estimated transactions in Federal securities by investor classes, fiscal year 1948 [1]

[In billions of dollars]

	Transactions with Treasury			Total change in ownership
	Purchases	Redemptions and cash maturities (−)[2]	Net market transactions	
A Nonbank investors				
1 Individuals[3]	6 8	−6 9	−0 1	−0 1
2 Other nonbank investors				
a Insurance companies	4	−3	−2.0	−1 8
b Mutual savings banks	2	−1	−2	−2
c Other corporations and associations[4]	2 5	−5 4	1 4	−1 5
d State and local governments	1	−3	9	7
e Federal Government investment accounts	2 9	−1	(*)	2 9
f Total other nonbank investors	6 1	−6 2	1	1
3 Total	12 9	−13 1	1	−1
B Banks				
1 Commercial banks	3	−1 2	−4 5	−5 4
2 Federal Reserve Banks		−5 0	4 4	−5
3 Total banks	3	−6 2	−1	−5 9
C Total all investors	13 3	−19 3		−6 0

NOTE Figures are rounded and will not necessarily add to totals Special issues and Treasury bills are included in figures on purchases and redemptions on basis of net changes in amounts outstanding (rather than gross issuances and retirements)

* Less than $50 million

[1] Gross public debt and guaranteed obligations of Federal Government held outside of Treasury

[2] Net decline in Treasury bills outstanding is allocated to Federal Reserve Banks with all other changes in bill holdings considered to represent activity in the market

[3] Includes partnerships and personal trust accounts

[4] Includes savings and loan associations, dealers and brokers, and investments of foreign balances and international accounts in this country

The preceding table shows that although nonbank investment in Federal securities changed insignificantly during the year as far as aggregates are concerned the trends of investment among the various investor classes differed rather widely Federal Government investment accounts invested $2 8 billion in special issues during 1948, reflecting the continued accumulation of individuals' savings in social insurance funds during periods of high employment There was also a sizable increase in holdings of Federal securities by State and local governments amounting to $0 7 billion during the year Although individuals redeemed $1 2 billion of armed forces leave bonds during 1948, their estimated holdings of all securities decreased by only $0 1 billion, principally as a result of continued purchases of savings bonds

Fire, marine, and casualty insurance companies added $0 6 billion to their holdings of Federal securities during the year, while life insurance holdings declined by $2 4 billion as new investment opportunities appeared through new corporate security flotations and mortgage financing Mutual savings banks reduced their holdings by $0 2 billion during 1948 The other corporation and association group showed a decline of $1 5 billion during the year, but about half of this was accounted for by the redemption of securities by the International Bank and Monetary Fund Holdings of Federal securities

by nonfinancial corporations continued to decline, but at a rate far below liquidations in the two preceding years when funds were needed to facilitate the financing of early postwar readjustment and expansion

The decline of 10 percent in Federal debt since the end of the war has been more than offset by an expansion in the private debt of the Nation Nevertheless Federal securities still constitute more than half of the over-all debt in the country and still represent the most important single asset in the aggregate balance sheets of the large financial institutional groups in the Nation In June 1948, Federal securities accounted for over 55 percent of the earning assets of commercial banks, they accounted for 40 percent in 1939 Almost 60 percent of mutual savings bank assets are now in Federal securities as against less than 30 percent before the war For insurance companies the prewar percentage of a little under 20 percent is now double Federal securities constitute one-third of the liquid assets held by individuals (assets in the form of currency, checking accounts, savings accounts of all types, and Federal securities) as compared with about one-sixth before the war At the same time nonfinancial corporations have 10 percent of their current assets (including inventories and receivables) in Federal securities as compared with less than 5 percent in 1939 Savings and loan associations had 1 percent of their prewar assets in Federal securities, now the figure is almost 15 percent

The table following summarizes the net changes in ownership of Federal securities for each of the last 8 fiscal years

Changes in ownership of Federal securities by investor classes [1] for selected dates, fiscal years 1941–48

[In billions of dollars]

	1941	1942	1943	1944	1945	1946	1947	1948
A Nonbank investors								
1 Individuals [2]	1 2	6 9	13 3	14 9	13 3	4 3	3 0	−0 1
2 Other nonbank investors								
a Insurance companies	6	2.0	4 0	4 1	5 4	2.6	− 2	−1 8
b Mutual savings banks	3	5	1 4	2 0	2 3	1 9	7	− 2
c Other corporations and associations [3]	− 1	3 0	10 1	10 4	5 0	−5 6	−3 0	−1 5
d State and local governments	2	8	6	1 7	2 1	1 2	0	7
e Federal Government investment accounts	1 4	2 1	3 7	4 8	5 8	4 2	3 7	2.9
f Total other nonbank investors	2 4	7 9	19 8	23 1	20 6	4 2	1 8	1
3 Total nonbank investors	3 6	14 8	33 1	37 9	33 8	8 5	4.8	− 1
B Banks								
1 Commercial banks	3 6	6 4	26 2	16 2	15 8	2	−14 4	−5 4
2 Federal Reserve Banks	− 3	5	4 6	7 7	6 9	2 0	−1 9	− 5
3 Total banks	3 2	6 8	30 7	23 9	22 7	2 2	−16 4	−5.9
C Total change	6 8	21 7	63 8	61 8	56 5	10.8	−11 5	−6.0

NOTE —Figures are rounded and will not necessarily add to totals

1 Comprises gross public debt, and guaranteed obligations of Federal Government held outside of Treasury

2 Includes partnerships and personal trust accounts

3 Includes savings and loan associations, dealers and brokers, and investments of foreign balances and international accounts in this country

The slowing up of nonbank investment in Federal securities during the last year was characteristic of other forms of liquid assets as well Total liquid assets of nonbank investors in the aggregate increased by only $1 billion in 1948 Checking accounts held by nonbank investors as a group increased by only $0 7 billion during the year and there was an increase of $1 0 billion in nonbank holdings of savings accounts in commercial banks On the other hand, there were declines of $0 6 billion in currency and $0 1 billion in Federal securities Expansion in all types of liquid assets was, of course, retarded by the impact of the record Treasury surplus during the fiscal year [1]

SECURITIES OWNED BY THE UNITED STATES GOVERNMENT AND PROPRIETARY INTEREST IN CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE UNITED STATES GOVERNMENT

Securities Owned

Securities owned by the United States Government on June 30, 1948, consisted principally of capital stock, bonds, and notes of Government corporations, securities evidencing loans made to farmers, railroads, home owners, foreign governments, etc , and notes evidencing United States subscriptions to the International Bank for Reconstruction and Development and to the International Monetary Fund The net face value of these securities amounted to $13,249 million, exclusive of $12,660 million of principal obligations of foreign governments arising out of World War I

A statement of the securities owned by the Government on June 30, 1948, other than foreign government obligations of World War I, is shown in table 48, together with an explanation of the increase or decrease in these securities during the fiscal year 1948

Pursuant to legislation enacted on June 30, 1947, and subsequent legislation, the Secretary of the Treasury during the fiscal year 1948 canceled obligations of the Home Owners' Loan Corporation amounting to $128 million, and of the Reconstruction Finance Corporation amounting to $10,049 million, as shown in the tables on pages 104 and 105

Proprietary Interest in Corporations and Certain Other Business-Type Activities of the United States Government

In order to show the status of the Government's interest in Government corporations and certain other business-type activities, the Treasury Department compiles balance sheets from reports received from such corporations and activities which are published quarterly in the daily Treasury statement Such balance sheets as of June 30,

[1] For a brief statement on the relationship between Federal fiscal operations and the Nation's financial structure during the years 1941–48, see table 99

1948, will be found in table 76 of this report These balance sheets show the amount and classification of the assets, liabilities, and net worth of the various corporations and activities

The net worth is divided between that owned by the United States Government and that owned by private sources During the year the Federal Deposit Insurance Corporation stock owned by the Federal Reserve Banks was liquidated pursuant to Public Law 363, approved August 5, 1947 As of June 30, 1948, the banks for cooperatives and the Federal home loan banks were the only corporations having private capital in addition to the investment of the United States

INTERNATIONAL FINANCIAL AND MONETARY DEVELOPMENTS

Economic Assistance Program

The outstanding development in the field of international finance in the fiscal year 1948 was the inauguration of a program of increased United States economic assistance to Europe and the formation of an organization of European countries to develop a coordinated program of economic reconstruction through the joint efforts of the European nations themselves and the aid provided by the Congress As early as 1945 it had been realized that the reconstruction of Europe and of the war-torn countries of Asia would be extremely difficult without special assistance from the United States, and, accordingly, various steps were taken to facilitate recovery The war had involved the destruction of large amounts of capital equipment in the form of transportation facilities and industrial plant, while stocks of raw materials had been depleted Normal capital replacements could not be made in view of the scarcity of goods during the war and immediate postwar periods There were serious shortages of food in many countries Foreign countries thus required more in goods and services from the United States to supply their immediate needs and to provide capital for reconstruction than they could obtain by the sale of goods and services to the United States Part of the difficulty in Europe lay in the scarcity of raw materials which reduced levels of production and limited exports The disorganization of internal production and international trade contributed to the severity of the crisis In this period, however, production in the United States had expanded rapidly so that the economy was in a position to provide assistance to foreign countries without making serious inroads on domestic levels of consumption

Economic assistance to foreign countries in the postwar period took a variety of forms Direct relief to the needy populations was provided through UNRRA, about 70 percent of whose cost was financed

by the United States, and through special grants for civilian supplies in areas occupied by our armed forces Surplus property was also made available to foreign countries, partly on a credit basis Direct loans were made to the United Kingdom and the Philippine Republic in accordance with special congressional authorizations, while the Export-Import Bank made foreign loans in increased amounts In the period from July 1, 1945, to December 31, 1947, approximately $18 billion of aid in the form of grants or loans was made available by United States Government agencies This earlier assistance program of the United States is reviewed in the Report of the National Advisory Council for the period October 1, 1947, to March 31, 1948 (see exhibit 20)

In 1947 it became apparent that the resources currently available to foreign countries would not be adequate to maintain the degree of recovery attained at this time, nor to permit the accelerated pace of reconstruction which appeared desirable in the interests of economic and political stability The credits previously made available were for the most part used up because of the great need for goods from the United States economy Foreign countries had used $5 2 billion of their gold and dollar balances in the years 1946 and 1947 The Western European countries had lost more than a fourth of their reserves, which in some of the countries had reached the minimum levels necessary for normal trade and monetary reserves, thus increasing the dangers of inflation It was evident that to maintain the existing levels of production, imports would have to continue and that these imports could practically not be financed without further United States assistance (See exhibit 20, table A) Thus, the National Advisory Council in its report covering the period from October 1, 1946, to March 31, 1947, stated

"As of March 31, 1947, almost all United States governmental resources authorized for foreign financial assistance, excluding United States participation in the International Monetary Fund and the International Bank for Reconstruction and Development, had been committed to foreign countries It has during the period under review become increasingly clear that such resources as remain available will not, by reason either of their amount or of the nature of developing needs abroad, prove adequate for the accomplishment of the purposes for which foreign financial assistance has been provided The question of the extent to which this country will need to provide additional assistance to foreign countries cannot be readily answered The agencies represented on the National Advisory Council are giving continued consideration to this matter " (See Annual Report of the Secretary of the Treasury for 1947, p 204)

In the summer of 1947 the President and the Secretary of State

indicated that the Administration would consider programs of further aid to Europe if it became clear that the assistance so provided would be used economically and efficiently for reconstruction and that the participating nations would make increased efforts toward self-help This would involve active cooperation on the part of the countries receiving aid both in the realm of economic policy and in the actual exchange of goods which could be produced within the European economy A conference of the European countries (Committee for European Economic Cooperation) met in Paris in July 1947 and drew up a program for economic cooperation extending over a 4-year period and indicating the extent of the expected deficit in the international accounts of the participating countries, assuming an increase in the levels of production and a gradual recovery of Europe Several countries of eastern Europe, which had been invited to attend the original conference and which had sent delegates, did not join in the final report and so do not participate in the benefits of the European Recovery Program

The program as outlined by the European Committee was carefully studied by the constituent agencies of the National Advisory Council and other agencies of the United States Government The objective of these studies was to determine the need for assistance and the availabilities in the United States economy with due regard for the consequences of an extended assistance program on the domestic economy, including its possible inflationary effects While this work was in progress Congress made available $595 million to provide for interim aid to Austria, France, Italy, and China During the consideration of the Administration's program by the Congress, the Secretary of the Treasury, as Chairman of the National Advisory Council, presented to the congressional committees the Council's recommendations on the basic financial policies of the program The Congress passed the Foreign Assistance Act of 1948 (approved April 3, 1948) and subsequently provided appropriations Under this legislation over $7 billion was made available for grants, loans, and guaranties to the European countries, China, the special programs for Greece and Turkey, and for other measures of assistance, the International Refugee Organization, and the International Children's Emergency Fund of the United Nations The Economic Cooperation Administration was established by the act and the Administrator became a member of the National Advisory Council, thus assuming coordination of the assistance under the European program with the other foreign financial policies of the United States

In connection with the congressional presentation of the European Recovery Program, the Secretary of the Treasury indicated an intention to assist the participating countries in locating the dollar assets

of their nationals, so that these assets or the income therefrom could be used for national purposes by these governments, if it was decided so to use them Under this program assets not unblocked before a deadline date, through certification by the governments concerned in accordance with established procedures and so unblocked, would be transferred to the jurisdiction of the Office of Alien Property in the Department of Justice A census of the blocked assets would be taken and information supplied to governments receiving aid Assets uncertified at the deadline date and not identified thereafter would be vested as enemy property (See exhibits 22 and 23 and discussion under Foreign Funds Control, p 47)

The Anglo-American Financial Agreement

Among the obligations of the Government of the United Kingdom under the Anglo-American Financial Agreement were, speaking in general terms, commitments to impose no restrictions after July 15, 1947, on payments for current transactions By the required date, the Government of the United Kingdom had assumed these obligations except with respect to fourteen countries with which agreements had not yet been negotiated The Secretary of the Treasury agreed that the obligations of the United Kingdom might be postponed for a period of two months in the cases of these fourteen countries

The drain upon the gold and dollar reserves of the United Kingdom increased rapidly following this institution of convertibility of sterling, until, in August 1947, it reached a rate of $185 million per week On August 20, 1947, the Government of the United Kingdom informed the Secretary of the Treasury that immediate, stringent measures were necessary to counter this excessive drain on the country's dollar resources and that, unless this drain were checked at once, the Government of the United Kingdom would be unable to pursue the international monetary and economic policy set forth in the Anglo-American Financial Agreement The Government of the United Kingdom proposed an emergency and temporary action, within the intentions and purposes of the Financial Agreement, modifying the system which had been established for implementing the convertibility obligation At the same time, the Government of the United Kingdom indicated that consultations would probably become necessary concerning the applicability of clauses in the Agreement providing that, in exceptional cases and when the governments agreed, the obligation need not apply The Government of the United Kingdom also stated that it did not propose to notify any further withdrawals from the line of credit until consultations had been held with the Government of the United States, with a view toward the adoption of a constructive policy which would be best suited to changes in the situation as they

might appear, and which would lead toward the objectives laid down in the Anglo-American Financial Agreement and the International Monetary Fund Agreement

A series of consultations between the two Governments followed, and on December 4, 1947, drawings against the line of credit were resumed after the Chancellor of the Exchequer had again reaffirmed the intention of the Government of the United Kingdom to adhere as closely as possible to the objectives of the Agreement at all times and to implement these objectives fully at the earliest possible time

Consultations between the two Governments on the actions of the Government of the United Kingdom in implementing the objectives of the Agreement continued throughout the remainder of the fiscal year

The International Monetary Fund and the International Bank for Reconstruction and Development

These international institutions have made considerable progress toward attaining their objectives During the period under review the International Bank made loans or commitments to the Netherlands, Denmark, Luxembourg, and Chile The loan commitment to Chile represents a significant advance in the direction of loans for developmental purposes, which probably will assume a more important role in the Bank's operations in the future, as the immediate needs for reconstruction decrease with the progress of recovery in the war-torn countries The Bank also floated two issues of its own securities amounting to $250 million in the United States capital market

The International Monetary Fund sold dollars in exchange for the currencies of Belgium, Chile, Denmark, France, India, Mexico, the Netherlands, Norway, Turkey, and the United Kingdom, as well as Belgian francs in exchange for Netherlands guilders and Norwegian kroner During this year the Fund also took important steps in the formulation of its policy with regard to exchange rates in the case of France and Italy, and discussed the exchange problems of other countries in Europe and in Latin America with the governments concerned A number of countries modified their exchange practices in conformity with the Fund's objectives The Fund also issued a statement requesting the member governments to restrain international transactions in gold at premium prices The Fund has recognized that changes in the exchange policies and exchange rates of the member countries would be required by circumstances, and has continued to study these problems and to consult with the governments concerned

The National Advisory Council on May 18, 1948, submitted to the Congress its First Special Report on the Operations and Policies of

those international institutions, which discusses more fully the basic questions of policy and the position which the United States has taken with regard to these matters (See exhibit 19)

Other Activities of the National Advisory Council

The Council continued its function of coordinating the policies and operations of the representatives of the United States on the international financial organizations with the activities of other agencies of the Government participating in making foreign loans or engaging in foreign financial exchange and monetary transactions Reports of its activities are given below (See exhibits 18, 19, and 20)

German Currency Reform

On June 18, 1948, a comprehensive currency reform was instituted in the three Western Zones of Germany occupied by the United States, the United Kingdom, and France, respectively This currency reform involved a sharp reduction in the volume of currency and bank deposits This was accomplished through the required surrender of the existing reichsmark currency holdings and the reporting of reichsmark accounts with financial institutions These currency holdings and accounts were revalued in a new deutsche mark currency, initially at a rate approximating 1 new unit for 20 of the old The rate of conversion was chosen with a view to preserving substantially the existing level of official prices, and after the currency conversion there was a progressive relaxation of formal price and rationing controls There resulted immediately a sharp increase in the volume of consumer goods available in normal commercial channels, representing partly supplies accumulated in anticipation of currency reform, and partly a diversion of goods from black markets As had been anticipated, confidence in the new currency, together with the severe reduction in the monetary overhang, greatly stimulated the willingness to work and diminished the number engaged in black market activities

A special problem arose with respect to the City of Berlin Since Berlin is under quadripartite control, the three Western Powers sought agreement with the Soviet Government to establish a new uniform currency for the City to replace the existing reichsmark currency These negotiations failed, and separate currency reforms were undertaken for the Western Sectors and for the Russian Sector of Berlin

Gold

In the course of the year there was no change in the basic gold policy of the United States The Treasury continued its policy of buying and selling gold for the settlement of international balances

A statement of Treasury purchases and sales of gold in the years 1945, 1946, and 1947 was published by the National Advisory Council (see exhibit 20, table B) The Treasury also continued to enforce the Gold Declaration of February 22, 1944 By the close of the fiscal year additional settlements regarding looted gold were agreed upon Recoveries of looted gold are placed in the "gold pool" for distribution by the Tripartite Gold Commission, composed of France, the United Kingdom, and the United States The Gold Commission distributed more than $250 million in gold to countries whose gold had been seized by Germany

On June 24, 1947, the Secretary of the Treasury, as Chairman of the National Advisory Council on International Monetary and Financial Problems, released a statement on transactions in gold at premium prices which the International Monetary Fund had sent to all of its members This statement recommended that each member of the Fund take effective action to prevent transactions in gold at premium prices with other countries or with the nationals of other countries On July 18, 1947, the Secretary of the Treasury and the Board of Governors of the Federal Reserve System issued a joint statement requesting American nationals to refrain from encouraging and facilitating international transactions in gold at premium prices Subsequently, the Secretary of the Treasury, with the approval of the President, amended the regulations issued under the Gold Reserve Act of 1934 Under the amended regulations licenses are no longer issued for the private export of fine bar gold, and licenses for the export of gold refined from imported gold-bearing materials are issued only where the American refiner does not participate in the sale of the gold Licenses for export are also subject to the requirement that the gold-bearing material has been exported from the country of origin and that the refined gold is imported into the country of destination in accordance with the laws and regulations of the respective countries

Foreign Funds Control

During the fiscal year 1948 Foreign Funds Control took steps under a program directed toward terminating the Foreign Funds Control functions within the Treasury Department and resolving the following three residual problems (1) the discovery of enemy property concealed in blocked accounts of persons in certain foreign countries, (2) the disposition of blocked assets of those countries and their nationals for which no unblocking procedure has yet been provided, and (3) the control of United States securities which disappeared from European countries during their occupation by the Germans In addition, since the European financial and economic situation became

acute during the fiscal year and the European Recovery Program was developed, it was determined that the termination of Foreign Funds Control should also be directed toward assisting the governments of countries which were to receive aid under the European Recovery Program in locating the blocked dollar assets of their resident citizens

DESCRIPTION AND EXECUTION OF TERMINATION PROGRAM

The termination program of Foreign Funds Control to carry out the above objectives was described in a letter of February 2, 1948, from the National Advisory Council to Senator Vandenberg, Chairman of the Foreign Relations Committee (For text of this letter see exhibit 22) In essence the program provided that public notice would be given stating that at the end of three months assets remaining blocked, including assets not certified by the appropriate foreign government as free of enemy taint, would be transferred to the jurisdiction of the Office of Alien Property in the Department of Justice To permit this Government and the foreign governments concerned to concentrate on the areas where important results were likely to be obtained, accounts containing not more than $5,000 were to be unblocked without requiring certification or other formalities except where a known German, Japanese, Hungarian, Rumanian, or Bulgarian interest existed The Office of Alien Property was to take a new census of the assets which remained blocked as of the deadline date In order effectively to help the recipient countries obtain control of the blocked assets of their resident citizens, the Office of Alien Property was to carry out the following policies

"(a) To deal with the directly held assets by making available to governments of recipient countries the information from the new census of blocked assets of their citizens, including juridical persons, residing in their territories which remain uncertified as of the public deadline date referred to above Each country receiving such information will be required to investigate the beneficial ownership of property held in the names of its citizens for the purpose of discovering any enemy interest Pending a reasonable period for such investigations, such property will not be vested but will remain blocked under the jurisdiction of the Office of Alien Property If these investigations show that the assets are owned by residents of the country receiving the information the assets will be released

"(b) To deal with indirectly held assets by a vesting program with respect to accounts which remain uncertified after the deadline date Processing of uncertified assets in Swiss and Liechtenstein accounts for vesting under applicable law as enemy property will be started immediately after the receipt of the census information by the Office of Alien Property The vesting program will also be applied to un-

certified assets held indirectly through recipient countries where the program described in (a) above does not result in disclosure to the beneficial owner's government (e g , French assets held through the Netherlands) In the absence of definite evidence of non-enemy ownership, full weight will be given to the presumption of enemy ownership arising from the failure to obtain certification Evidence of non-enemy ownership or interest offered either before or after vesting will be checked in accordance with the usual investigative procedures of the Office of Alien Property These procedures involve disclosure to the governments of the countries of which persons claiming legal or beneficial interests are residents Of course, any vested assets which are proved to be non-enemy may be returned under existing law applicable to the return of vested property "

The public notice called for by the program, the text of which is set forth in exhibit 23, was issued jointly by the Department of Justice and the Treasury Department on March 1, 1948, and called for the transfer of jurisdiction over the remaining blocked funds to the Department of Justice as of June 1, 1948 However, for administrative convenience, the transfer to the Department of Justice was postponed from June 1 to October 1, 1948 Accordingly, Foreign Funds Control took the census called for by the program and the necessary licensing steps to implement the program during the extended period

PROGRESS IN LIFTING BALANCE OF CONTROLS

During the fiscal year 1948 the privileges of General License No 95, which provides for the unblocking procedure through certification, were extended to Italy Moreover, machinery was established for unblocking the assets of Trieste under control of Allied Military Authorities Considerable progress was made toward resolving the problem of blocked assets of Yugoslavia In addition, controls were also lifted from the blocked assets of Spain and the privileges of General License No 94 were extended to Spain, permitting uncontrolled current transactions between the United States and Spain

As of the close of the fiscal year assets of the following countries are the only ones for which no unblocking procedures have been established Germany, Japan, Bulgaria, Hungary, Rumania, Yugoslavia, Portugal, Estonia, Latvia, and Lithuania

Controls with respect to importation of securities were lifted for all securities except with respect to those reported to this Government as having disappeared in Europe during German occupation The lifting of these controls was effected by the amendment of General Ruling No 5 on July 25, 1947

Closely related to the work of Foreign Funds Control was the study of foreign-owned assets in the United States and of American-owned

assets in foreign countries In December 1947 the Treasury Department published in bulletin form a report of the "Census of American-Owned Assets in Foreign Countries" taken in May 1943 Thus for the first time comprehensive data were made available on American investments and other assets in foreign countries

TAXATION DEVELOPMENTS

The Revenue Act of 1948, enacted April 2, 1948, was the principal revenue measure that became law during the fiscal year 1948 This act provided substantial reductions in individual income taxes by a combination of rate and exemption changes, income splitting, and a number of minor provisions It also provided for estate and gift tax reduction by repealing the 1942 amendments relating to transfers of property in community-property States and by adopting estate and gift "splitting" for noncommunity property This act is summarized in section I, which follows Legislation affecting the level and scope of the social security taxes is summarized in section II Legislation providing for the revision of the Internal Revenue Code, which passed the House but was not considered by the Senate, is described in section III The Treasury Department's views on proposals to modify or repeal the oleomargarine taxes are summarized in section IV Miscellaneous revenue legislation taking effect during the fiscal year is listed in exhibit 35

I Revenue Act of 1948

The Revenue Act of 1948, which was a sequel to H R 1 and H R 3950 passed by both Houses during the First Session of the Eightieth Congress and vetoed by the President, was introduced as H R 4790 by the Chairman of the House Ways and Means Committee on December 18, 1947, and hearings on the bill were begun on January 16, 1948 Secretary of the Treasury Snyder appeared as the first witness and opposed the tax reduction features of the bill on the grounds that economic conditions, budget considerations, inflationary pressures, and debt management problems required the preservation of governmental revenues at adequate levels This accorded with the President's policy of maintaining a balanced budget, including provision for the Marshall Plan and for substantial payments on the public debt The Secretary supported the President's recommendation for the $40 per capita tax credit to relieve many families with low incomes on whom the high cost of living was imposing real hardship, and for the re-enactment of the wartime excess profits tax on corporations, suitably modified, to make up the revenue loss resulting from the cost-of-living adjustment (See exhibit 27)

The Senate Committee on Finance began hearings on the bill on March 1, 1948 In a written statement, the Secretary again advised against adoption of H R 4790 on the grounds that it would conflict with the preservation of the strength of the revenue system at a level adequate to finance necessary Government services and to provide funds for servicing and reducing the national debt He stated that while desirable basic structural changes in the tax system which would involve large revenue losses could not be undertaken safely this year, it was possible to make many technical revisions which would improve the tax system He urged the Committee to make such administrative and technical revisions as would clarify present laws and correct some of the inequities without any substantial loss of revenue (See exhibit 28)

The bill was passed by the Senate on March 22, 1948, but the President returned it to the House of Representatives on April 1 without his approval because he was "convinced that to reduce the income of the Government by $5 billion at this time would exhibit a reckless disregard for the soundness of our economy and the finances of our Government " (See exhibit 29) The bill was passed over the President's veto on April 2, 1948, and became the Revenue Act of 1948

Provisions of the act —The Revenue Act of 1948 reduced individual income tax rates at all income levels Before its enactment the actual tax rate started at 19 percent for taxable incomes under $2,000 and increased to 86 45 percent for taxable incomes over $200,000 Under the new law, the actual rates range from 16 6 percent to 82 1 percent with a maximum effective rate limitation of 77 percent

The 1948 act retained the per capita system of personal exemptions, which were increased from $500 to $600 for a single person with no dependents, from $1,000 to $1,200 for a married couple with no dependents, and from $500 to $600 for each dependent An additional $600 exemption was granted individuals or their spouses who are blind or who will be 65 years of age or older by the end of the taxable year The exemption for the blind replaces the special $500 deduction allowed the blind under prior law

A new feature of the 1948 act is the provision that married couples filing joint returns may divide their combined incomes in computing their income taxes This is intended to abolish a long standing income tax discrimination against married couples residing in noncommunity-property States by reducing their tax liabilities to the level paid by residents of community-property States The tax liability prescribed for married couples filing joint returns is twice the tax on half the couple's combined taxable income after exemptions and deductions To eliminate any further advantages from the filing of separate returns, the limit on the standard deduction for married couples filing

joint returns and for single persons is increased to $1,000 or 10 percent of the adjusted gross income, whichever is less The limit for married persons filing separate returns is retained at $500. By a parallel provision the maximum medical expense deduction is raised to $5,000 in the case of joint returns of married couples but remains at $2,500 on separate returns of married couples and single persons

These changes affect the tax liabilities of taxpayers, according to their marital status For single persons with no dependents, taxes are reduced 100 percent for net incomes between $500 and $600, 17 percent at the $2,500 level, 12 percent at $5,000, and less than 10 percent above $10,000 For married persons with no dependents (where the spouse has no income), the tax reduction is 100 percent for net incomes between $1,000 and $1,200, 24 percent at the $2,500 level, 21 percent at $5,000, 26 percent at $10,000, 35 percent at $25,000, 26½ percent at $100,000, and less than 10 percent above $500,000

With respect to estate and gift taxes, the Revenue Act of 1948 in effect universalized the situation prevailing in community-property States prior to 1942, when at the death of a spouse only one-half of the community property was subject to estate tax irrespective of whether such property was accumulated by that spouse In the case of gifts of community property, one-half of the gift was taxable to the husband and the other half was taxable to the wife In noncommunity-property States the entire amount of the property accumulated by the spouse was taxable under the estate and gift tax

The Revenue Act of 1942 sought to equalize estate and gift taxes between residents of community- and noncommunity-property States It provided that, even in the case of community property, property transfers were fully taxable to the decedent or donor to the extent that the property was attributable to his personal services

The Revenue Act of 1948 repealed the 1942 estate and gift tax provisions relating to community property with the result that transfers of such property are now generally taxable under the pre-1942 law In addition, transfers of noncommunity property may be split for purposes of the estate and gift taxes Where property is transferred to a surviving spouse the estate is reduced for estate tax purposes by the amount of the property transferred to the spouse, but the reduction may not exceed one-half of the estate Where a gift is made from one spouse to another only one-half of the gift is taxable, and in the case of a gift to a third person each spouse may elect to be taxed on one-half of the gift

The Revenue Act of 1948 reduced individual income tax and estate and gift tax liabilities in the full year of operation (assuming personal

income of $200 billion) by about $5 billion, divided among the separate provisions as follows

	Amount [1] (in millions)
Per capita exemption increase	$1 744 7
Additional exemption for the aged	268 3
Additional exemption for the blind	3
Income splitting	803 5
Increased standard deduction	93 8
Rate reduction	1 827 1
Revenue loss from all individual income tax provisions	4 737 7
Revenue loss from estate and gift tax provisions	250 0
Total revenue loss	4,987 7

[1] The revenue effect of each provision is estimated consecutively, with allowance for the cumulative effect of the other provisions

II Social Security Taxes

Public Law 379, approved August 6, 1947, continued the 1 percent tax rate imposed on employers and employees under the Federal Insurance Contributions Act for two additional calendar years, 1948 and 1949 It provided further for an increase in these rates to 1½ percent in 1950 and 1951, and to 2 percent after 1951

Two measures enacted during the fiscal year restricted the coverage of the social security program and the application of the social security taxes

Public Law 492, which was enacted April 20, 1948, over the President's veto, excludes from the Social Security Act and related provisions of the Internal Revenue Code services performed in the sale of newspapers and magazines, where, instead of by salary or commission, the employee is compensated by means of a purchase and sale arrangement, and regardless of any minimum guarantee for the privilege of returning unsold items at cost

Public Law 642, passed on June 14, 1948, over the President's veto, prescribed that common-law rules should continue to be used to determine whether a person is an "employee" for purposes of the Social Security Act and related provisions of the Internal Revenue Code This measure is estimated to exclude from the old age and survivors insurance and unemployment insurance systems, and from the corresponding tax provisions, up to 750,000 employees and their employers The excluded workers consist of a substantial portion of those working as commission salesmen, life insurance salesmen, piece workers, truck drivers, taxicab drivers, miners, journeymen tailors, and others

The President withheld approval from the last two measures in the belief that they would open the social security structure to piecemeal attacks and overturn the present sound principle, unanimously

approved by the Supreme Court, that employment relationships under the social security laws should be determined in the light of realities rather than on the basis of technicalities He pointed out that this legislation enables employers, desiring to do so, to avoid the payment of taxes which serve as the basis for their employees' social security benefits by establishing artificial and legal arrangements governing their relationships with employees (See exhibits 30 and 31)

III Proposed Revisions of the Internal Revenue Code

The hearings on general tax revision, which were begun by the House Ways and Means Committee on May 19, 1947, continued intermittently through the first half of the fiscal year 1948 Testimony was received on individual income tax, corporation income tax, and excise tax problems, on community property and family partnerships, and on tax-exempt organizations Secretary Snyder, who appeared as the first witness, made no recommendations for specific tax revision, but outlined some twenty major matters requiring attention in any comprehensive revision of the tax system (His statement appears in the Annual Report of the Secretary of the Treasury for 1947, as exhibit 34)

On November 4, 1947, Under Secretary of the Treasury Wiggins outlined to the Committee the results of the Department's study of farmers' marketing and purchasing cooperatives and discussed alternative ways of taxing them (See exhibit 32) On February 26, 1948, the Under Secretary transmitted for the consideration of the House Ways and Means Committee a partial list of the items which the Department believed desirable to have enacted into law during the Second Session of the Eightieth Congress (See exhibit 33) On June 19, 1948, the House passed H R 6712 relating to income, estate, and gift tax matters, including some items from the Department's list and some which the Department opposed The Senate referred the bill to the Committee on Finance

IV Oleomargarine Taxes

During the year the Congress considered several legislative proposals to modify or repeal the excise and occupational taxes on the manufacture and distribution of oleomargarine

The Under Secretary of the Treasury presented the Department's views on these proposals to the House Committee on Agriculture on March 8, 1948, and to the Senate Committee on Finance on May 17 He explained that the revenue laws were no longer needed for regulating the manufacture and distribution of oleomargarine and that

the Bureau of Internal Revenue might well be freed of this responsibility He said that if the Congress deemed it to be necessary to continue the use of oleomargarine taxes for regulatory purposes, this end would be fully served if the existing punitive tax rates were replaced by token tax requirements

The Under Secretary stated that revenue considerations were not involved and that the oleomargarine taxes unnecessarily burden the consumers far in excess of the amount paid in taxes He stated also that although, in view of State-imposed taxes and prohibitions, oleomargarine would continue to be unavailable to consumers in many parts of the country even in the absence of Federal taxes, repeal of the Federal taxes would eliminate one instance of overlapping Federal-State taxation and would directly benefit consumers in the majority of the States (See exhibit 34) H R 2245 providing for the repeal of the tax on oleomargarine was passed by the House on April 28, 1948, reported favorably by the Senate Committee on Finance on June 1, 1948, but was not considered by the Senate

ESTIMATES OF RECEIPTS

(On the basis of existing legislation)

The Secretary of the Treasury is required each year to prepare and submit in his annual report to the Congress estimates of the public revenue for the current fiscal year and for the fiscal year next ensuing (Public No 129, February 26, 1907) The estimates of receipts from taxes and customs are now made by the Treasury Department in December of each year on the basis of legislation existing at the time of making the estimates The estimates of miscellaneous receipts are prepared in general by the agency depositing the receipts in the Treasury

The definition of "net budget receipts" used in these estimates differs from that used in previous estimates in that (1) "refunds of receipts" are deducted in deriving "net budget receipts" whereas in previous estimates refunds were included in expenditures and (2) miscellaneous receipts exclude payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings Such payments are also excluded from expenditures Where used for comparative purposes actual net budget receipts of previous years have been adjusted for these two changes The term "net budget receipts" as used in this report is the same as the term "budget receipts" used in the Budget document

The details of estimated and actual receipts are shown in table 103, which includes receipts under proposed legislation Throughout the

tables shown in this section the figures are rounded and will not necessarily add to totals

Total and Net Receipts

Net budget receipts are estimated in the amounts of $39,580 3 million in the fiscal year 1949 and $40,903 6 million in the fiscal year 1950 A decrease of $2,630 5 million is therefore expected in the fiscal year 1949 from actual net budget receipts in 1948 followed by an estimated rise of $1,323 3 million in 1950 The decrease in 1949, despite higher estimated levels of income, is caused by changes in the tax laws which are discussed in detail in the Taxation Developments section of this report The rise in receipts in 1950 reflects slightly higher income levels affecting 1950 receipts as compared with those affecting receipts in 1949 and the effect of tax law changes in reducing 1949 receipts below normal expectations

Total receipts are estimated to be $44,043.7 million in the fiscal year 1949, a decline of $2,055 1 million from actual 1948 receipts of $46,098 8 million In 1950, total receipts are estimated to be $45,420 7 million

Percentage distributions, by sources of estimated total receipts in 1949 and 1950 and actual receipts in 1947 and 1948, are shown in the following table

Source	Actual, 1947	Actual 1948	Estimated, 1949	Estimated, 1950
	Percent			
Individual income tax	44 1	45 5	42 1	42.1
Corporation income and excess profits taxes	21 7	22.1	26 6	27 0
Miscellaneous internal revenue	18 1	18 0	19 8	18 8
Employment taxes [1]	4 6	5 2	5 9	7 4
Customs	1 1	9	9	8
Miscellaneous receipts	10 4	8 3	5 2	3 9
Total receipts	100 0	100 0	100 0	100 0

[1] Includes Railroad Unemployment Insurance Act receipts

Collections from the individual income tax are estimated to decrease in the fiscal year 1949 from the record level attained in 1948 and to remain below that level although increasing in 1950 Although less in absolute amount and relative importance this source remains the most important major source by a considerable margin Miscellaneous receipts are estimated to decrease significantly in 1949 and 1950 The fiscal year 1950 represents the third consecutive year of decline from the record receipts of 1947 from this source Customs are estimated to decrease in 1949 and remain at that level in 1950 Continuing increases are estimated for corporation income and excess profits taxes, the second most important source of revenue, for miscel-

laneous internal revenue, the third most important, and for employment taxes, which displace miscellaneous receipts as the fourth most important source in 1949

Fiscal Year 1949

Actual receipts in the fiscal year 1948 and estimated receipts in 1949 are compared by major sources in the following table

Source	Actual, 1948	Estimated, 1949	Increase or decrease (—)
	In millions of dollars		
Individual income tax	20 996 6	18,530 0	—2 466.6
Corporation income and excess profits taxes	10,174 4	11,709 0	1 534 6
Miscellaneous internal revenue	8,301 4	8,512.0	210 6
Employment taxes [1]	2,395 7	2 610 0	214 3
Customs	421 7	407 0	—14 7
Miscellaneous receipts	3 809 1	2 275.7	—1 533.4
Total budget receipts	46,098.8	44,043 7	—2,055.1
Deduct			
(a) Appropriation to Federal old age and survivors insurance trust fund	1 616 2	1 754.0	137 8
(b) Refunds of receipts	2,271 9	2,709 4	437 5
Net budget receipts	42,210 8	39,580 3	—2,630 5

[1] Includes Railroad Unemployment Insurance Act receipts

Net budget receipts in the fiscal year 1949 are estimated to amount to $39,580 3 million, a decrease of $2,630 5 million from actual net budget receipts in the fiscal year 1948 but all items do not contribute to the over-all decrease Substantial decreases in receipts from the individual income tax, miscellaneous receipts, and the larger amount of the deduction item, refunds, and the small decrease in customs together exceed increases in receipts from corporation income and excess profits taxes, miscellaneous internal revenue, and employment taxes

Individual income taxes —The details of the yield of the individual income tax are shown in the following table

Source	Actual, 1948	Estimated 1949	Increase, or decrease (—)
	In millions of dollars		
Withheld	11 436 1	10 414.0	—1 022 1
Not withheld	8,943 6	7 446.0	—1,497 6
Back taxes	616 8	670 0	53 2
Total individual income tax	20,996 6	18,530 0	—2,466 6

Receipts from the individual income tax in the fiscal year 1949 are estimated to decrease by $2,466 6 million as compared with 1948

The reduction in tax liabilities under the Revenue Act of 1948 causes receipts to decrease despite the higher levels of income reflected in 1949 receipts and the withholding of taxes for the first time from the pay of the armed forces effective January 1, 1949

Current payments other than withheld decrease because of the large overpayments in the first half of the calendar year 1948 which will be partially offset by reduced payments made in the fiscal year 1949 on declarations and final returns for calendar year 1948 incomes The overpayments arose because the tax reductions contained in the Revenue Act of 1948 were applicable to the entire calendar year 1948 although the act was not passed until April 2, 1948, and reduced rates of withholding did not go into effect until May 1, 1948

Back taxes are estimated to increase slightly

Corporation income and excess profits taxes —The details of the taxes from this source appear in the table below

Source	Actual 1948	Estimated 1949	Increase
	In millions of dollars		
Income and excess profits taxes	8 930 6	10 354 0	1 423 4
Back income and excess profits taxes	1 243 8	1,355 0	111 2
Total corporation income and excess profits taxes	10,174 4	11 709 0	1,534 6

Corporation income and excess profits tax receipts in the fiscal year 1948 reflect incomes and tax provisions of the calendar years 1946 and 1947, while receipts in the fiscal year 1949 reflect incomes and tax provisions of the calendar years 1947 and 1948 The rising trend of corporate income during the calendar years 1946, 1947, and 1948 is responsible for the increase in estimated receipts It is estimated that back tax receipts will rise also and consequently that total receipts from corporation income and excess profits taxes will be higher in the fiscal year 1949 than in 1948

Miscellaneous internal revenue —Receipts from this source by major groups are listed in the following table

Source	Actual, 1948	Estimated, 1949	Increase or decrease (—)
	In millions of dollars		
Estate and gift taxes	899 3	797 0	—102 3
Liquor taxes	2 255 8	2,333 0	77 7
Tobacco taxes	1 300 3	1,341 0	40 7
Stamp taxes	79 5	76 0	—3 5
Manufacturers' excise taxes	1,649 2	1 753 0	103 8
Retailers excise taxes	469 9	467 0	—2 9
Miscellaneous taxes	1 657 5	1,745 0	87 5
Adjustment to daily Treasury statement basis	—9 6		9 6
Total miscellaneous internal revenue	8 301 4	8,512 0	210 6

Estate and gift taxes are the only major tax source included in miscellaneous internal revenue which are expected to decline appreciably in the fiscal year 1949 as compared with actual receipts in 1948 Reduced collections are estimated from this source because of the Revenue Act of 1948 which allowed special treatment of transfers between spouses for both the estate and gift taxes, substantially reducing tax liabilities The changes made by the Revenue Act of 1948 will not be fully effective for some time because of the fifteen months' lag between the date of death and the date of filing the return which is permissible under estate tax laws

Collections from most of the excise taxes are estimated to increase in the fiscal year 1949 as compared with actual receipts in 1948, reflecting an estimated increase in disposable personal income

Employment taxes —The yields of the various employment taxes are shown below

Source	Actual 1948	Estimated 1949	Increase or decrease (−)
	In millions of dollars		
Federal Insurance Contributions Act	1 616 2	1,754 0	137 8
Federal Unemployment Tax Act	207 9	229 0	21 1
Railroad Retirement Tax Act	557 1	616 0	58 9
Railroad Unemployment Insurance Act[1]	14 5	11 0	−3 5
Total employment taxes	2,395 7	2 610 0	214.3
Deduct Appropriation to Federal old-age and survivors insurance trust fund	1 616 2	1 754 0	137 8
Net employment taxes	779 5	856 0	76 5

[1] Not classified as an employment tax under the Internal Revenue Code

The estimated increase in receipts in the fiscal year 1949 over 1948 is based on higher industrial and railroad pay rolls and on an increase in the tax rate under the Railroad Retirement Tax Act The rate change from 5¾ percent to 6 percent each on the carriers and on their employees beginning on January 1, 1949, will be reflected in receipts under this act beginning with the last quarter of the fiscal year 1949 Because of a provision of Public Law 379, approved August 6, 1947, the rates of tax under the Federal Insurance Contributions Act remain at 1 percent each on the employer and employee during the period reflected in the receipts

The slight decrease in receipts under the Railroad Unemployment Insurance Act is a consequence primarily of Public Law 744, approved June 23, 1948, which reduced receipts allocable to this account, for the period under consideration, from three-tenths to two-tenths of one percent of pay rolls (not in excess of $300 per month per employee) Although the credit, established in favor of the railroads at the beginning of the fiscal year 1949 by the retro-

active feature of the act, was sufficient to offset all payments that otherwise would have been made in the fiscal year 1949 and part of those that would have been made in the first quarter of the fiscal year 1950 on account of railroad unemployment insurance contributions for administrative expenses, such offsets will be compensated by equivalent transfers from the railroad unemployment insurance trust fund

Customs —Customs receipts are estimated to be $407 0 million in the fiscal year 1949 or $14 7 million less than in the fiscal year 1948 This decrease is due primarily to the rate concessions which were made by the United States under the Geneva Trade Agreement of October 30, 1947, and which became effective on January 1, 1948, by virtue of the Presidential Proclamation of December 16, 1947 These rate concessions were reflected in customs receipts for only the last half of the fiscal year 1948, but will be reflected in such receipts for the entire fiscal year 1949

Miscellaneous receipts —The estimated decrease in miscellaneous receipts from the fiscal year 1948 to 1949 is due in large part to the tapering off of the surplus property disposal program and other war-connected activities

Refunds of receipts —Refunds of receipts are estimated to amount to $2,709 4 million in the fiscal year 1949 as compared with actual refunds of $2,271 9 million in 1948 Amounts withheld under the individual income tax in the first four months of the calendar year 1948 were based on rates which were reduced retroactively to January 1, 1948 The consequent large amounts of excess withholdings are reflected in refunds to be made in 1949

Fiscal Year 1950

Estimated receipts in the fiscal years 1949 and 1950 are compared by major sources in the following table

Source	Estimated receipts 1949	Estimated receipts 1950	Increase or decrease (—)
	In millions of dollars		
Individual income tax	18 530 0	19 135 0	605 0
Corporation income and excess profits taxes	11 709 0	12 252 0	543 0
Miscellaneous internal revenue	8 512 0	8,553 0	41 0
Employment taxes [1]	2 610 0	3 324 0	714 0
Customs	407 0	407 0	
Miscellaneous receipts	2 275 7	1,749 7	—526 0
Total budget receipts	44,043 7	45,420 7	1 377 0
Deduct			
(a) Appropriation to Federal old-age and survivors insurance trust fund	1 754 0	2 420 0	666 0
(b) Refunds of receipts	2 709 4	2,097 1	—612 3
Net budget receipts	39,580 3	40 903 6	1,323 3

[1] Includes Railroad Unemployment Insurance Act receipts

Net budget receipts in the fiscal year 1950 are estimated to amount to $40,903 6 million, an increase of $1,323 3 million over estimated net budget receipts in 1949 A large part of this increase is caused by the estimated decrease of $612 3 million in refunds of receipts The increase in net budget receipts excluding the change in refunds is $711 0 million Increases are estimated in receipts from all tax sources with the exception of customs which remain unchanged, but the total increase from tax sources is offset to a considerable extent by the large decrease estimated in miscellaneous receipts, which consist for the most part of receipts from nontax sources

Individual income tax—The details of the yield of the individual income tax are shown in the following table

Source	Estimated receipts		Increase, or decrease (—)
	1949	1950	
	In millions of dollars		
Withheld	10 414 0	10 680 0	266.0
Not withheld	7 446 0	7 807 0	361 0
Back taxes	670 0	648 0	—22.0
Total individual income tax	18,530 0	19,135 0	605 0

Receipts from individual income taxes in the fiscal year 1950 are estimated to increase $605 0 million over 1949 This increase results from the estimated rise in incomes reflected in 1950 receipts and from the fact that payments of current income taxes other than withheld are estimated to be abnormally low in 1949 as a result of the Revenue Act of 1948

Withholding receipts are estimated to increase as a result of the estimated rise in salaries and wages subject to withholding The pay of members of the armed forces will be subject to withholding for the full fiscal year as compared with one-half year in the fiscal year 1949

Current payments other than withheld increase $361 0 million in the fiscal year 1950 principally because payments in the fiscal year 1949 from this source will be reduced by overpayments on calendar year 1948 liabilities made in the last half of the fiscal year 1948 prior to the enactment of the Revenue Act of 1948 which reduced tax rates and base retroactively to January 1, 1948

Back taxes are estimated to decrease slightly

Corporation income and excess profits taxes.—The details of the receipts from this source appear in the following table

Source	Estimated receipts		Increase
	1949	1950	
	In millions of dollars		
Income tax	10 354 0	10 756 0	402.0
Back income and excess profits taxes	1 355 0	1 490 0	141 0
Total corporation income and excess profits taxes	11,709 0	12 252 0	543 0

The combined income level for the calendar years 1948 and 1949 is estimated to be greater than the combined income level for the calendar years 1947 and 1948 and current income tax receipts accordingly are estimated to be greater in the fiscal year 1950 than in the fiscal year 1949 Back tax receipts, which are estimated to be slightly greater in the fiscal year 1950 than in the fiscal year 1949, reflect primarily the rising trend of incomes during the calendar years 1946, 1947, and 1948

Miscellaneous internal revenue.—Receipts from the major groups of taxes included in this source are listed in the following table

Source	Estimated receipts		Increase, or decrease (—)
	1949	1950	
	In millions of dollars		
Estate and gift taxes	797 0	653 0	—144 0
Liquor taxes	2 333 0	2 419 0	86 0
Tobacco taxes	1,341 0	1 368 0	27 0
Stamp taxes	76 0	75 0	—1 0
Manufacturers excise taxes	1 753 0	1 763 0	10 0
Retailers excise taxes	467 0	478 0	11 0
Miscellaneous taxes	1,745 0	1 797 0	52 0
Total miscellaneous internal revenue	8 512.0	8,553 0	41 0

No appreciable change is anticipated in collections in the fiscal year 1950 from the major excise tax groups included in miscellaneous internal revenue, as income levels are expected to be about the same in both of the fiscal years 1949 and 1950 Estate and gift tax collections are estimated to decrease further because of the impact of the Revenue Act of 1948 which will become fully effective for the great bulk of the returns filed in the fiscal year 1950

Employment taxes—The yields of the various employment taxes, under existing legislation, are as follows

Source	Estimated 1949	Estimated 1950	Increase
	In millions of dollars		
Federal Insurance Contributions Act	1 754 0	2 420 0	666 0
Federal Unemployment Tax Act	220 0	239 0	19 0
Railroad Retirement Tax Act	616 0	654 0	38.0
Railroad Unemployment Insurance Act [1]	11 0	11 0	
Total employment taxes	2 610 0	3,324 0	714 0
Deduct Appropriation to Federal old age and survivors insurance trust fund	1 754 0	2 420 0	666 0
Net employment taxes	856 0	904 0	48 0

[1] Not classified as an employment tax under the Internal Revenue Code

The estimated increase in employment tax receipts in the fiscal year 1950 over 1949 is based on higher industrial and railroad pay rolls, on changes in the tax rates, and on a prospective change in the method of collection of taxes under the Federal Insurance Contributions Act The rate change under the Railroad Retirement Tax Act from 5¾ percent to 6 percent each on the carriers and on their employees beginning on January 1, 1949, will be reflected in receipts for the last quarter only of the fiscal year 1949 but for all four quarters of the fiscal year 1950 The rate change under Public Law 379, approved August 6, 1947, amending the Federal Insurance Contributions Act, from 1 percent to 1½ percent each on the employer and employee beginning on January 1, 1950, would be reflected under the present method of collections in receipts beginning with the last quarter of the fiscal year 1950, and the prospective regulation which will place the collection of most of the tax imposed by the Federal Insurance Contributions Act on a monthly instead of a quarterly basis with respect to wages paid after June 30, 1949, will further increase the receipts under this act in the fiscal year 1950

Customs—Customs receipts are estimated to be $407 0 million in the fiscal year 1950, continuing at the same level estimated for 1949

Miscellaneous receipts—Estimated receipts from this source are expected to decrease in the fiscal year 1950, principally because of the continuing decline in receipts from the disposal of surplus property.

Refunds of receipts—Refunds are estimated to be $2,097 1 million in the fiscal year 1950 or $612 3 million less than the abnormally large refunds estimated for 1949

ESTIMATES OF EXPENDITURES

Actual expenditures for the fiscal year 1948 and estimates for the fiscal years 1949 and 1950 are summarized in the following table Further details will be found in table 103 The estimates are based upon figures submitted to the Congress in the Budget for 1950

Actual budget expenditures for the fiscal year 1948 and estimated expenditures for 1949 and 1950 [1]

[In millions of dollars On basis of 1950 Budget document]

	Actual, fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Agriculture Department			
Commodity Credit Corporation	−204 0	865 7	537 8
Other	1,428 5	1,152 8	1 290 2
Atomic Energy Commission	465 6	632.2	725.2
Commerce Department	172 9	247 2	327 6
Economic Cooperation Administration			
European recovery	154 0	4,600 0	4,500 0
Other		224 9	48 7
Export-Import Bank of Washington	460 2		146 4
Federal Security Agency	1 028 4	1 380 2	1 908 6
Federal Works Agency	488 0	590 3	686 8
Housing and Home Finance Agency	−73 9	−40 5	105 9
Interior Department	340 4	537 6	640 4
National Military Establishment	12 570 5	13,800 3	15 267 5
Post Office Department (general fund)	307 0	531 4	156 7
Railroad Retirement Board	778 4	584 1	727 3
State Department	676 3	436 9	312 1
Treasury Department			
Credit to United Kingdom	1 700 0		
Interest on the public debt	5 187 8	5 325 0	5,450 0
Other (including stockpiling)	695 0	1,092 7	1 140 3
Veterans Administration	6 474.1	6 666 0	5 318 2
Universal training			600 0
Miscellaneous foreign aid funds appropriated to the President			355 0
All other	1 511 2	1 552.1	1 618 1
Adjustment to daily Treasury statement basis	−388 0		
Total budget expenditures	33 791.3	40 180 0	41 357 8

[1] These figures are taken from the 1950 Budget document They are based upon the Treasury's Combined Statement of Receipts, Expenditures, and Balances, and therefore differ from figures published in the daily Treasury statement

The figures exclude refunds of receipts (now reported as deductions from receipts) and payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings

The figures exclude transfer in 1948 of $3 billion to the Foreign Economic Cooperation trust fund pursuant to sec 114 (f) of the Economic Cooperation Act of 1948 Budget expenditures estimated for 1949 include expenditures made out of the Foreign Economic Cooperation trust fund

ADMINISTRATIVE REPORTS

GENERAL ADMINISTRATION

The general administrative picture throughout the Treasury has been high lighted this year by the installation of general Treasury programs, such as management studies of various bureaus, cash awards for employee suggestions, and work simplification, as well as specific organizational changes

The management studies authorized by the Congress for the Bureau of Customs and the United States Coast Guard, conducted by the McKinsey & Company management firm and Ebasco Services, Inc, respectively, were main developments in general administration Both of these studies were implemented through steering committees, which were made up of officials from the interested bureaus and the Office of the Secretary Just prior to the end of the fiscal year, the Secretary established a committee to direct management studies of the Bureau of Internal Revenue

More than 3,000 suggestions were received by the Treasury at departmental level under the cash awards program For 305 of these suggestions, awards aggregating $7,660 were authorized The estimated first-year savings resulting from the suggestions totaled $221,257

Work simplification, initiated in the Bureau of Internal Revenue first, has since been applied to the Fiscal Service (consisting of the Bureaus of Accounts and the Public Debt and the Office of the Treasurer of the United States), the Bureau of Federal Supply, Secret Service, and Office of Administrative Services The program eventually will include the entire Treasury

The Office of Administrative Services was established, effective October 1, 1947, under Treasury Department Order No 93, dated September 26, 1947 (See exhibit 43) This office is composed of three divisions—Office Services, Treasury Buildings, and Treasury Space Control—which perform the general administrative functions of the Department The functions, duties, and authorities of the Chief Clerk of the Treasury were delegated to the Director of Administrative Services The Office as now constituted includes all of the following functions Office of Chief Clerk, Office of the Superintendent of Treasury Buildings, the Space Control staff, formerly in the Office of the Secretary, and after July 1, 1948, the Printing Section, formerly in the Bureau of Federal Supply Operating functions of the Printing Section, such as the preparation of copy and the reading of proof, were decentralized to the several Bureaus, but the policy and liaison work were retained in the Printing Section At the same time, the Bureau of Internal Revenue and the United States Coast Guard were given authority to deal directly with the Government Printing Office

BUREAU OF THE COMPTROLLER OF THE CURRENCY[1]

The Bureau of the Comptroller of the Currency is responsible for the execution of laws relating to the supervision of national banking associations Duties of the office include those incident to the formation and chartering of new national banking associations, the establishment of branch banks, the consolidation of banks, the conversion of State banks into national banks, the issuance and retirement of preferred stock, and the issuance of Federal Reserve notes

Changes in the Condition of Active National Banks

The total assets of the 5,004 active national banks in the United States and possessions on June 30, 1948, amounted to $85,341 million, an increase of $1,928 million since June 30, 1947 The deposits of the banks in 1948 totaled $79,000 million, which was $1,603 million more than in 1947 The loans and securities totaled $63,844 million, an increase of $656 million during the year Capital funds of $5,546 million were $237 million more than in the preceding year

The assets and liabilities of the active national banks are shown in the following statement

Abstract of reports of condition of active national banks on the date of each report from June 30, 1947, to June 30, 1948

[In thousands of dollars]

	June 30, 1947 (5 018 banks)	Oct 6, 1947 (5 019 banks)	Dec 31, 1947 (5,011 banks)	Apr 12, 1948 (5 014 banks)	June 30, 1948 (5 004 banks)
ASSETS					
Loans and discounts including overdrafts	18,810 006	20,081,046	21 480 457	21,816,341	22,303 042
U S Government securities direct obligations	39,419 227	39 622 267	38 819 276	36 955 647	36 226 156
Obligations guaranteed by U S Government	6 378		6 150		5 251
Obligations of States and political subdivisions	2,900 981	3,050 027	3 028 607	3 172,597	3 207 888
Other bonds, notes, and debentures	1,896,733	1,981 623	2,000 094	1 962 559	1 043 650
Corporate stocks, including stocks of Federal Reserve Banks	155,338	155 052	155 830	157 586	158,271
Total loans and securities	*63 188,063*	*64 890,915*	*65,490,425*	*64,064,680*	*63,844,267*
Cash, balances with other banks, including reserve balances, and cash items in process of collection	10,395 548	20 216 609	22 075 590	19 923 421	20,465,498
Bank premises owned, furniture, and fixtures	517 873	524 559	534,266	545,857	558 887
Real estate owned other than bank premises	8,580	9 701	8 124	8 864	8,635
Investments and other assets indirectly representing bank premises or other real estate	46,257	48,101	43 970	44,561	45,337
Customers liability on acceptances outstanding	52,282	72,910	87,522	95,075	112 554
Interest, commissions rent and other income earned or accrued but not collected	141,047	148 428	142,281	142 281	148 780
Other assets	63 510	76 068	64,824	108 159	167,154
Total assets	83,418,260	85,987,376	88 447,000	84,927 898	85 341 112

[1] More detailed information concerning the Bureau of the Comptroller of the Currency is contained in [illegible]

Abstract of reports of condition of active national banks on the date of each report from June 30, 1947, to June 30, 1948—Continued

[In thousands of dollars]

	June 30 1947 (5 018 banks)	Oct 6 1947 (5 019 banks)	Dec 31 1947 (5 011 banks)	Apr 12 1948 (5 014 banks)	June 30, 1948 (5 004 banks)
LIABILITIES					
Demand deposits of individuals partnerships and corporations	44,751 010	45 778 324	48 079 210	45 134 137	45 203 607
Time deposits of individuals partnerships, and corporations	18 556 006	18 725,607	18 764 017	18 707 225	18 830,881
Deposits of U S Government and postal savings	870 853	1 620 273	902 426	1 520 023	1,367 802
Deposits of States and political subdivisions	4 562 716	4 318 484	4 726,336	4 907 268	5 175 811
Deposits of banks	7 433 963	8 153 144	8,411 473	7 034 821	7 30[illegible] 787
Other deposits (certified and cashiers checks, etc)	1,222 001	1 124 122	1 301 897	1 094 772	1 115 980
Total deposits	77,397,149	79 720 044	82,275 356	78 467 246	78,909 988
Demand deposits	*58 209 792*	*60 359,155*	*62 835,410*	*58 899 657*	*60 320 732*
Time deposits	*19,187 357*	*19 360 889*	*19 439 945*	*19 567 589*	*19 579 256*
Bills payable, rediscounts and other liabilities for borrowed money	27 860	143 835	45,135	152 31[illegible]	42,871
Mortgages or other liens on bank premises and other real estate	302	290	316	282	278
Acceptances executed by or for account of reporting banks and outstanding	58 958	81 065	101 182	105 657	125,465
Interest, discount, rent, and other income collected but not earned	71 446	79 441	86,704	97 138	99 044
Interest taxes, and other expenses accrued and unpaid	221 525	239 823	203 694	220 350	207 388
Other liabilities	327 340	301 840	318 260	346 24[illegible]	319 710
Total liabilities	78 104 580	80 566 344	83 025 676	79 389 230	79 705 344
CAPITAL ACCOUNTS					
Capital stock	1 770 871	1 775 468	1 779 766	1 799 948	1 804 803
Surplus	2 329 951	2 341 737	2,390 520	2 419 482	2 451 488
Undivided profits	874 708	963 589	893 232	961 790	971 001
Reserves and retirement account for preferred stock	333 060	340 243	348 806	357 448	318 386
Total capital accounts	5 308,680	5 421 032	5 421 324	5 538,668	5 545 768
Total liabilities and capital accounts	83 413 260	85 987 376	88 447,000	84 927 898	85 341 112

SUMMARY OF CHANGES IN NUMBER AND CAPITAL STOCK OF NATIONAL BANKS

The authorized capital stock of the 5,006 national banks in existence on June 30, 1948 (including 2 banks that had discontinued business although not in formal liquidation as of that date), consisted of common stock aggregating $1,781 million, an increase during the year of $38 million, and preferred stock aggregating $24 million, a decrease during the year of $5 million The total net increase of capital was $33 million During the year, charters were issued to 16 national banks having an aggregate capital of $1 6 million of common stock only There was a net decrease of 15 in the number of national banks in the system during the year by reason of voluntary liquidations and statutory consolidations

More detailed information regarding the changes in the number and capital stock of national banks during the year is given in the following table

Organizations, capital stock changes, and liquidations of national banks, fiscal year 1948

	Number of banks	Capital stock	
		Common	Preferred
Increases			
Charters issued	10	$1 550 000	
Capital stock			
162 cases by statutory sale		19 763 350	
174 cases by statutory stock dividend		17 319 700	
59 cases by stock dividend under articles of association		1 645 200	
1 case by conversion of preferred stock		23 000	
7 cases by statutory consolidation		1 426 250	
1 case by increase par value preferred stock			$2 400 000
Total increases	16	41 727 500	2 400 000
Decreases			
Voluntary liquidations	29	3 845 000	138 635
Statutory consolidations	2		
Capital stock			
162 cases by retirement			7 468 240
1 case by statutory reduction		8 000	
Total decreases	31	3 853 000	7 600 875
Net change	−15	+37 874 500	−5 206 875
Charters in force June 30 1947, and authorized capital stock	5 021	1 743 211 857	29 316 852
Charters in force June 30, 1948 and authorized capital stock	[1] 5 006	1 781 036 357	24 109 977

[1] This figure differs from that shown in the preceding table Banks that have discontinued business although not in formal liquidation do not submit reports of condition but are included in this table

BUREAU OF CUSTOMS

The principal functions of the Bureau of Customs are to enter and clear vessels, supervise the discharge of cargo, ascertain the quantities of imported merchandise, appraise and classify such merchandise, and assess and collect the duties thereon, control the customs warehousing of imports, inspect international traffic by vessel, highway, railway, and air, review protests against the payment of duties, determine and certify for payment the amount of drawback due upon the exportation of articles produced from duty-paid or tax-paid imports, prevent smuggling, undervaluations, and frauds on the customs revenue, issue documents and signal letters to vessels and prepare publications and reports in connection therewith, apprehend violators of the customs and navigation laws, enforce the Antidumping Act, and perform certain duties under the Foreign Trade Zones Act

Revenue Collections

The total revenue collected by Customs in the fiscal year 1948 was $542,078,499 as compared with $623,234,450 in 1947, a decrease of 13 percent These totals include items collected for other governmental agencies such as internal revenue taxes for the Bureau of Internal Revenue and head taxes for the Immigration Service Actual collections from duties, fines, penalties, forfeitures, etc , amounted to only

$425,825,969, a decrease of 14 percent from the previous year's total of $497,533,914

The downward trend of collections which began during the last five months of the fiscal year 1947 continued at a lessened rate during 1948, with the result that the collections for each month of 1948 were smaller than for the corresponding month of the previous fiscal year In only one month, October 1947, did the customs collections exceed forty million dollars whereas in each of the first seven months of the previous year the collections were above that point The types of collections during the last two years are shown in table 8

The bulk of customs collections consists of duties paid by the importers at the time of the entry of the merchandise or when withdrawn from warehouse for consumption The decline in collections, therefore, indicates a somewhat lower volume of merchandise than during the peak months of the previous year when large quantities of goods which had long been absent from the American market had been imported A part of the decrease in customs collections was due to the lower rates of duty provided on many commodities under the terms of the Geneva Trade Agreement An illustration of the effect of these lower rates is found in the imports of distilled liquors, of which there were 12,427,000 gallons during 1948 as compared with 13,505,000 gallons in 1947, a decrease of 8 percent Duties collected on such imports, however, amounted to only $24,674,000 in 1948 as compared with $32,445,000 in the previous year, a decrease of 24 percent

The largest single source of customs revenue during recent years has been from duties on imports of unmanufactured wool But in 1948 the quantity of such wool which was entered or withdrawn from warehouses for consumption was only 457 million pounds as compared with 525 million pounds during the previous year, and a corresponding reduction in the revenue resulted

On the other hand, imports of sugar, another important source of customs revenue, exceeded those in 1947 and yielded greater revenue by approximately $6 million

The many changes in commodity classifications and rates of duty resulting from the Geneva Trade Agreement, a large part of which became effective on January 1, 1948, with subsequent changes as others of the signatory nations complied with the terms of the Agreement, have made it impossible to compute duty collections by tariff schedules and by countries since January 1, 1948 The tables usually appearing in this report covering duty collections by countries have been omitted, therefore, this year and the collections by tariff schedules are carried only through December 1947 The latter data appear in table 85

The largest amount of revenue continues to be collected at New York City where $179 million, or 42 percent of the total collected in all districts, was turned over to the Treasury This constitutes a decrease of almost 7 percent from the total collected in New York during the previous year Most of the other customs districts where substantial collections are made underwent an even greater decline in income At Boston, where approximately three-fourths of the collections are the result of duties on imports of wool, collections were less than two-thirds as large as in 1947 Increased collections were recorded in only 14 of the 44 customs districts and of these the only

ones of much importance from the revenue viewpoint were New Orleans, Maryland, and San Francisco Customs collections by districts are shown in table 83

The decrease in customs collections was accompanied by an increase in the value of dutiable imports which rose from $2,098 million in 1947 to $2,491 million in 1948, an increase of almost 19 percent Increases in unit costs accounted to a considerable extent if not entirely for the greater value of dutiable imports despite a decrease in revenue derived therefrom Normally 70 percent of customs revenue is derived from specific duties based on the quantity rather than on the value of the merchandise, and only 30 percent from goods dutiable at ad valorem or compound rates where the increased value might effect an increase in revenue It is evident that the rise in unit costs has only a limited relationship to the total customs collections and, since many of the ad valorem as well as specific rates of duty were reduced after January 1, 1948, the decline in revenue, even though accompanied by an increase in the value of the merchandise from which that revenue was derived, is entirely explicable

Movement of Persons by Vessels, Trains, Airplanes, and Automotive Vehicles

Almost eighty-two million persons arrived at this country's seaports or crossed the land borders during the fiscal year 1948, an increase of three million over the previous year For the seventh consecutive year the number of automobiles crossing the Canadian and Mexican borders showed an increase More than sixteen million automobiles and busses cleared customs in 1948 bringing in fifty-one million passengers The number of persons using passenger trains to reach the United States continued the decline in evidence since the close of the war Slight declines were also recorded in the number of persons arriving by small undocumented vessels and in the number of pedestrians crossing the border The number of persons arriving on ocean-going vessels, ferries, aircraft, streetcars, and other vehicles in every case exceeded the number using these means of transportation in 1947 Tables 87 and 88 show the volume of traffic into the United States in 1947 and 1948

Drawback Transactions

Drawback amounting to 99 percent of customs duties paid at the time the goods were entered is allowed on the export of merchandise manufactured from imported materials The total drawback allowed in 1948 was $10,430,065, a decrease of 3 percent from the total allowed in the previous year The more important items used in manufacturing the exported products during 1948 were sugar, wool, aluminum, tobacco, copper, and petroleum Tables 89 and 90 show the drawback transactions for 1947 and 1948 and the principal commodities on which drawback was paid

Protests and Appeals

Partly as a hold-over from the large volume of imports during 1947, the number of protests filed by importers against the rate or amount

of duty assessed or other action by the collector showed a sharp increase in 1948. Appeals for reappraisement filed by importers who did not agree with the appraiser as to the value of the merchandise, however, remained approximately the same as during the previous year. The following table shows the number of protests and appeals filed and acted on in 1947 and 1948.

Status	1947	1948	Percentage increase or decrease (−)
Protests			
Filed with collectors by importers	6,960	9,567	37.5
Allowed by collectors	407	422	−1[illegible].0
Denied by collectors and forwarded to customs court	6,063	7,600	15.0
Appeals for reappraisement filed with collectors	5,091	5,156	1.3

Appraisement of Merchandise

Although all types of entries of merchandise were more numerous in 1948 than in the previous year, there were fewer examinations of merchandise at appraisers' stores than in 1947. The invoices handled, on the other hand, showed an increase of approximately 8 percent. This increase in paper work was absorbed without an increase in personnel but at the expense of careful review.

Fewer mail packages were examined than in 1947, because of a further decline in the number of gift and other packages sent by Army personnel overseas. Since there were more mail entries than in 1947, the decrease in mail packages examined may not indicate any lessening of commercial importations of small size through the mails.

During the early part of the year a rather strange situation developed regarding shipments from Italy. Either in response to rumors spread throughout Italy that the American people were suffering from lack of food or to a feeling of gratitude for our aid to that country, large numbers of packages of Italian olive oil, food, and fruit began arriving in this country, causing great congestion at the appraisers' stores where all such packages had to be examined. Much of the meat and fresh fruits were prohibited items since they were infested with the Mediterranean fruit fly, the pink cotton bollworm, and other pests, and untold damage would have resulted in Florida and California if the contents had not been destroyed. Steps were taken to stop these shipments just as similar arrangements were made to discontinue gift shipments from Greece in 1947.

Customs Information Exchange

The Customs Information Exchange, located in New York, N. Y., is a central clearing house for information with respect to the classification and valuation of merchandise by the Customs appraisers. The reports received and records maintained are designed to provide uniformity of decision among the various appraisers throughout the Customs Service. The work of the Customs Information Exchange was maintained at about the same level as in 1947, as shown in the following table.

Activity	Number 1947	Number, 1948	Percentage increase or decrease (−)
Appraisers' reports of value or classification received	29 320	28 648	−2 3
Differences in classification reported	3 153	2,569	−18 5
Differences in value reported	3 763	4,118	9 4
Requests for foreign investigations	476	629	32 1

Laboratories

The nine Customs laboratories, maintained for the purpose of testing representative samples of sugar, wool, metals, and other merchandise to aid in determining the correct assessment of duties, tested 73,001 samples, or an increase of more than 20 percent over 1947

In addition to its regular assignments, laboratory work continued to be performed for the Bureau of Federal Supply on the testing of governmental purchases of strategic materials

Law Enforcement Activities

The law enforcement activities of the Customs Service consist of the seizure of merchandise which has been fraudulently declared or illegally introduced into this country and of the investigation of violations discovered after the entry of merchandise Merchandise seizures were more numerous and had a slightly larger value than during the previous year Many of the seizures covered articles for personal use, such as jewelry, watches, furs, and other wearing apparel The increased value of such seizures indicated the greater volume of tourist travel

Seizures of narcotics were more numerous than in 1947 and resulted in the seizure of a larger quantity of narcotic drugs than in the previous year As compared with only 1,267 ounces in 1947, 4,505 ounces of raw opium were seized in 1948 This was largely of Iranian, Indian, and Turkish origin The quantity of Mexican opium seized was much less than in 1947 as a result of the vigorous opium poppy destruction campaign conducted in Mexico Almost double the quantity of marihuana was seized during 1948 as during the previous year There were fewer seizures of distilled liquors and wines than in 1947 but the gallons and value of these seizures were much greater There was a large increase in the seizure of other prohibited articles primarily because of the seizure at Laredo, Tex, of lottery tickets valued at more than one and one-half million dollars

Fewer automobiles, trucks, and boats were seized than in 1947, but in connection with the illicit landing of merchandise, 7 airplanes were seized as compared with 2 in 1947

Seizures for violations of the customs laws are shown in tables 91 and 92

Investigative and Patrol Activities

The investigative arm of the Customs Service, the Customs Agency Service, investigates all important criminal cases covering the violations of Customs laws and also conducts many other examinations where expert investigative ability is needed Although fewer investigations were conducted in 1948 than during the previous year, many

important recoveries were effected as a result of the investigations In one case diamonds valued at more than one hundred thousand dollars, which had been smuggled from Belgium, were found buried on the shore of a small lake in New Jersey In another case, alcohol invoiced at $390,000 was found to be valued at $1,350,000

After the abolishment, as an economy measure, of the Canadian Border Patrol as of June 28, 1947, the question of discontinuing the mobile patrol officers along the Mexican border was considered It was finally decided as of June 30, 1948, that the Mexican Border Patrol should be discontinued The personnel previously assigned to this work who wished to remain in the Customs Service were transferred to other duties

In the course of their regular duties Customs personnel often discover violations of other than Customs laws During 1948, 13,301 seizures were made for other governmental agencies, 13,049 of which were for the Department of Agriculture In addition, 199 persons were apprehended, of whom 169 were for the Immigration and Naturalization Service

Table 93 summarizes the investigation activities during the last 2 years

Foreign Trade Zones

Foreign Trade Zone No 1 in New York continued its operations on Staten Island

Foreign Trade Zone No 2 in New Orleans which began operations on May 1, 1947, received 22,571 tons of merchandise during the fiscal year 1948 valued at almost $9,000,000 and collected more than $171,000 in duties on goods released for entry into Customs territory

Legal Problems and Proceedings

Of special importance during the fiscal year 1948 was the issuance of instructions for the conversion of certain currencies for which two or more rates of exchange had been certified by the Federal Reserve Bank of New York These instructions made possible the disposition of a large number of cases in which appraisement had been withheld and liquidation suspended because multiple exchange rates were involved

Action was initiated in collaboration with the Department of Justice to secure the disposition of a large number of customs inspectors' overtime cases pending in the Court of Claims on the basis of the case of *O'Rourke* v *United States* (109 Ct Cls 33), which extended the doctrine laid down by the Supreme Court in the case of *Myers* v *United States* (320 U S 561, 321 U S 750) to services performed at public bridges, highways, and other free facilities

During the second year of the administration of the Federal Tort Claims Act of 1946, 12 claims involving $2,134 19 were submitted, of which 7 involving $423 06 were allowed and the balance disallowed.

Miscellaneous

Changes in customs ports and stations —Customs stations at Morgan City, La , Bremerton and Port Orchard, Wash , Taku Inlet, Alaska, Estcourt, Quebec, and Boquillas, Tex , were established during the

year, and those at Quebec, Canada, and Perry's Mill, N Y, were discontinued No changes were made in any customs ports of entry

Cost of administration—During the fiscal year 1948, the Customs Service incurred expenses of $32,262,856 for collecting the revenue and for printing This was $1,065,399 less than during the previous year This saving was a result of the discontinuance of the Canadian Border Patrol officers and of many of the port patrol officers who had been employed for special wartime services The expenses do not include salaries paid to Customs personnel for overtime and other services authorized by law for which reimbursement was made to the appropriation by parties interested Even with the reduced expenditures, the reduction in collections caused the cost of collecting $100 revenue to rise from $5 35 in 1947 to $5 95 during 1948 A summary of the collections and expenditures for 1948 will be found in table 94

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing designs, engraves, and prints currency, bonds, certificates, stamps, and various other official documents and forms Deliveries of finished work during the fiscal year 1948 amounted to 574,505,065 sheets, an increase of 15,052,792 sheets, or 2 7 percent, in comparison with the quantity delivered during the previous fiscal year

A comparative statement of deliveries of finished work in the fiscal years 1947 and 1948 follows

Class	Sheets		Face value, 1948
	1947	1948	
Currency			
United States notes	3 470 000	3 605 000	$175 260 000
Silver certificates	85 265 000	97 895 000	1 705 740 000
Federal Reserve notes	24 020,000	22,919 000	3 030 000 000
Total	112,755 000	124 410 000	4 911 000,000
Bonds notes, bills, certificates, and debentures			
Bonds			
Panama Canal		500	1,000 000
Postal savings	1 365	740	649 500
Treasury	173 459	1 003,964	58 956 950 400
United States savings	43 634,000	57,852,750	9 460,603,750
Depositary		500	-
Consolidated Federal home loan banks	12,600		
Home Owners' Loan Corporation		535	535 000 000
Insular, Puerto Rican	50	50	50 000
Notes			
Treasury	20 445	280,900	20 990 000 000
Special United States	415	315	4 225,000 000
Consolidated Federal home loan banks	9 970	36 950	1 002,500 000
Treasury bills	90 000	70 000	50 685 000 000
Certificates			
Indebtedness	357 025	238 375	67,520 000 000
Cuban silver		333,333	2,000 000
Military	2 988 000		
Philippine Treasury	403 200	722,000	15 125,000
Interim transfer certificates for postal savings bonds		1 000	
Debentures			
Consolidated collateral trust for Federal intermediate credit banks	45,000	50 000	905,000 000
Specimens			
Bonds	118	4	
Notes	81	10	
Certificates	29	3	
Debentures	2		
Proof sheets, military certificates	16	-	
Total	47 735,725	60 591 929	214 388 878 650

Class	Sheets 1947	Sheets 1948	Number of stamps, etc., 1948
Stamps			
Customs	128 750	176 625	4 725 000
Internal revenue	163 410 673	167 445 331	21 076 140 705
Adhesive postal note	340 529	599 666	59 666 600
District of Columbia beverage tax paid	213 735	197 925	39 585 000
Federal migratory bird hunting	36 600	37 475	4 197 200
House trailer permit	34	376	56 400
Puerto Rican revenue	1 377 316	1,300 407	102 666 700
Virgin Islands revenue	100	100	10 600
Specimens internal revenue	94	07	644
Postage			
United States	207 797 448	204 004 745	20 680 118 020
United States surcharged Canal Zone	2,100		
Canal Zone	109 450	51 900	4 245 000
Philippine	284 630		
Specimens United States	420	66	3 408
United States war savings	123 383	354 311	36 543 250
Total	373 943 162	375 150 616	42 008 258 017
Miscellaneous			
Checks	11 000 205	8,253 443	41 280 575
Warrants	707	4 166	2 083
Commissions	1 340,904	616,823	349 102
Certificates			
Postal savings	3 912,3[illegible]0	3 004 000	15 020 006
Other	2 610 457	1 243 897	1 160 337
Drafts	130 125	26 675	26 975
Government requests for transportation	501 070	378 875	1 894 375
Other miscellaneous	2,056 838	806,852	4 741 100
Specimens	40	63	103
Blank paper	103	6	
Total	21 642,889	14 335,000	64 480 749
Siamese currency	3 375 497		
Grand total	559 452,273	574 [illegible]05 005	

Orders were received and dies were engraved for new issues of postage stamps as follows

Issue	Denomination (cents)
Air Mail Series 1947	10
U S Frigate Constitution Commemorative, Series 1947	3
Everglades National Park Commemorative Series 1947	3
Dr George Washington Carver Commemorative Series 1948	3
Discovery of Gold in California Centennial Commemorative, Series 1948	3
Mississippi Territory Commemorative Series 1948	3
Four Chaplains Commemorative Series 1948	3
Wisconsin Statehood Commemorative Series 1948	3
Swedish Pioneer Centennial Commemorative Series 1948	5
Progress of Women Commemorative, Series 1948	3
Francis Scott Key Commemorative Series 1948	3
Gold Star Mothers Commemorative Series 1948	3
Canal Zone, Series 1948	½ 1½, 25
Canal Zone Biological Area 25th Anniversary Commemorative, Series 1948	10

New dies and plates were prepared for United States savings bonds, military certificates, revenue stamps for snuff and tobacco, migratory-bird hunting stamps, and miscellaneous certificates, commissions, diplomas, invitations, and letterheads for various governmental agencies

Engraving was begun on a new $20 uniform currency back showing a revised vignette of the White House The revision depicts the edifice in a slightly larger size than on the old currency, and incor-

porates structural alterations of the building and changes in the surrounding landscape which have been made in recent years

Under arrangements made through the Department of State, orders were executed for Cuban silver certificates and Philippine Treasury certificates These currencies were produced from plates which had been engraved by the Bureau and used for previous orders

In September 1947, a special committee appointed by the Secretary of the Treasury began the audit and destruction, by incineration, of the surplus stocks of allied military lira currency which remained on hand from orders placed by the Department of the Army Later, authority was received to release for destruction the surplus stocks of $10 military certificates, also produced for that agency The project was completed in January 1948

In November 1947, air mail stamps were processed for the first time in coil form The work was produced from 170-subject plates by the rotary printing method and delivered in coils of 500 stamps each

Effective December 28, 1947, the physical custody of unissued Federal Reserve notes was transferred from the joint custody of the Director of the Bureau and the Secretary of the Treasury to the joint custody of the Federal Reserve Issue and Redemption Division of the Bureau of the Comptroller of the Currency and the Secretary of the Treasury The employees engaged in the custody and shipment of this currency were transferred to the Bureau of the Comptroller of the Currency This action was taken in accordance with Treasury Department Order No 95, dated December 29, 1947, and resulted in the abolishment of the Federal Reserve Vault Division of this Bureau

The total personnel at the beginning of the fiscal year comprised 5,909 employees During the year, 777 appointments were made and 835 employees were separated from the service, leaving 5,851 employees on the rolls at the end of the year

Expenditures amounted to $24,089,161 24, an increase of $3,990,080-93, or 19 9 percent, as compared with the previous year The following statement shows the appropriations, reimbursements, and expenditures for the fiscal years 1947 and 1948

	1947	1948	Increase or decrease (—)
Appropriations			
Salaries and expenses	$12,689 400 00	$13 250,000 00	$560 600 00
Printing and binding	5,500 00	5 000 00	—500 00
Reimbursements to appropriations from other bureaus for work completed [1]			
Salarios and expenses	7,450 855 42	10 929 197 68	3 478 342.26
Printing and binding	5,500 00	6,000 00	500 00
Total	20 151 255 42	24 190 197 68	4 038,942 26
Expenditures			
Salaries and expenses	20,088 421 25	24 078 602 12	3,990,180 87
Printing and binding	10 659 06	10 559 12	—99 94
Total	20 099 080 31	24,089 161 24	3 990 080 93
Unexpended balance	52,175 11	101,036 44	48 861 33

[1] Additional amounts of $50 065 59 for 1947 and $23,287 69 for 1948 were received from employees for Government property lost or damaged for refunds of terminal leave compensation, from reimbursements for jury service, for overpayment of salary due to excess leave, etc , and to correct discrepancies in paper accounts of Bureau, from firms for empty drums returned by Bureau and from refunds by employees and firms and reimbursements for work done for various agencies These amounts were deposited in appropriate accounts

BUREAU OF FEDERAL SUPPLY

The Bureau of Federal Supply procures and distributes supplies, materials, equipment, and services for Federal establishments, stores and inspects the items procured, and determines the policies, methods, and purchasing standards required for these procedures[1] The Bureau maintains facilities for technical operations allied to supply, such as traffic management and public utilities At the direction of the Munitions Board, the Bureau purchases and inspects strategic and critical materials for inclusion in the national stock pile The Bureau also conducts other special purchasing programs as directed by Congress

PROCUREMENT

Specialists in procurement and marketing of the Bureau of Federal Supply enter into contracts for the purchase of supplies, materials, and equipment for Federal agencies' departmental and field services and also perform the same services for special programs Liaison is maintained with other Government agencies and, in the case of special programs, through the State Department with officials of foreign nations

Contracting and purchasing by the Bureau for regular governmental requirements are generally effected in accordance with section 3709 of the Revised Statutes, as amended, requiring advertising for bids, public bid openings, and award of contract to lowest responsible bidders

Two types of contracts are used Indefinite quantity (sometimes called open-end or term), which have been made for approximately 40,000 items listed in the Federal Supply Schedule, and definite quantity contracts, which are made for items not covered by the schedule

The following table shows the dollar volume of purchases made by the Bureau of Federal Supply during the fiscal years 1947 and 1948

Purpose	1947	1948
Regular activities	$46,173,033	$56 778 062
Greek Turkish assistance (Public Law 75, May 22 1947)		12,702,094
Relief in war-devastated countries (Public Law 84 May 31, 1947)		5 681,739
Foreign aid (Public Law 389, Dec 17 1947)		2 201,939
China aid (Public Law 393 Dec 23 1947)		537 089
Economic Cooperation Administration (Public Law 472 April 3, 1948)		308 107
Strategic and critical materials (Public Law 520, July 23 1946)	68 888 533	252,901,412
Lend lease	42 676,468	
United Nations Relief and Rehabilitation Administration	162 220 315	-
American Red Cross	2,871	
Coal program for certain foreign countries	28,504,859	
Total purchases	348 466,979	331 170 433
Purchases by other agencies from Federal Supply Schedule	84 000 000	88,926,428

PRINTING

In addition to the preceding purchases, the Bureau, through its printing section, placed orders with Government and commercial services totaling $4,949,957

[1] The Bureau's basic authorities derive from Executive Order 6166 and Reorganization Act of 1933 (47 Stat 1517)

Government Requirements

The Government Requirements Division coordinates the various functions of the Bureau of Federal Supply with similar functions in other Federal agencies. Surveys and studies made by this Division form the bases upon which procurement policies and methods are established.

During the fiscal year 1948 the Division participated in a Joint Property Accountability Survey Project (with the Bureau of the Budget and the General Accounting Office), for simplifying and installing more uniformly effective inventory control and property accountability systems. During the year, twenty-seven supply installations in ten agencies were studied for the purpose of increasing efficiency and economy in supply operations. One example of the economies achieved was the merger of the supply functions of the Alaska-Seattle Service Office of the Interior Department with the supply operations of the Bureau of Federal Supply at Seattle, which serves the entire Government in that area.

Stores Operations

The stores operations are conducted on a self-supporting reimbursable basis, therefore the principles of operation are substantially like those of a private enterprise, except that the objective is to recover costs as distinguished from the profit motive of commercial concerns.

During the fiscal year 1948 the Bureau of Federal Supply operated supply centers in Washington, D. C. (Central Warehouse), Boston (Branch Center), New York, Cleveland, Chicago, Atlanta, Fort Worth, Kansas City, Denver, San Francisco, Seattle, and Los Angeles (Branch Center). These supply centers constitute the Bureau's national system for the procurement, storage, and issue of supplies in common use by the Federal and the District of Columbia Governments.

These operations are financed by the general supply fund, which is a revolving fund established pursuant to the act of February 27, 1929 (45 Stat. 1341), as amended, and is available to finance purchases by the Bureau of Federal Supply of stock, consolidated supplies, and services. All expenditures are made from the fund and all collections are credited to it. Expenses are recovered by service charges representing estimated handling costs. When expenses for handling are less than estimated, surpluses go into the general supply fund, and after the yearly audit by the General Accounting Office are credited to miscellaneous receipts of the Treasury.

During the year the total value of warehouse stock issues was $22,353,925, a decrease of $576,075 from fiscal year 1947, but an increase of $6,516,315 over 1946.

The total sales in all activities of the general supply fund during the year amounted to $63,566,772, as compared with $46,173,933 during the previous year, an increase of 37.7 percent. Warehouse and Shop Services sales declined 2.5 percent and 7.3 percent, respectively. The increase in sales in the Direct Delivery class, in which deliveries are made directly to agencies rather than to Bureau supply centers, is due primarily to the automotive equipment purchase

program, in which sales totaled nearly $20,000,000 Used automotive equipment sold, the proceeds of which were applied as part payment for new equipment, totaled 3,691 units with a sales value of $1,775,150

Operating income exceeded operating costs by $186,237 during the year This amounts to only 0 0029 percent of sales, and indicates the accuracy of the plan to recover costs, but not to make profits The excess for the fiscal year 1947 was $181,379, or 0 0039 percent of sales Under Public Law 640, approved June 14, 1948, the capital of the general supply fund was increased by $1,500,000 to a total of $9,520,196

A statement of the assets and liabilities of the general supply fund as of June 30, 1948, follows

Assets	Amount	Liabilities and capital	Amount
Current assets		Current liabilities	
Cash	$7 561 025 11	Accounts payable	$15 460 388 18
Accounts receivable	10 081 832 73	Unearned income	854 927 20
Postage	5 520 19		
Inventories (at cost)	7 092 163 22		
Total	24 740 541 25	Total	16 315 315 38
Fixed assets			
Equipment	388 415 24	Capital and surplus	
		Capital	8 020 196 07
		Donated capital	28 482 02
		Surplus	221 826 10
Total	388 415 24	Total	8 270 504 19
		Reserve for contingencies	543 136 92
Total assets	25 128 956 49	Total liabilities and capital	25 128 956 49

Utility Services

The Public Utilities Division of the Bureau of Federal Supply performs the technical work required for efficient procurement and utility service for Federal agencies in Washington and in the field These utilities include electric, gas, steam, telephone, teletypewriter, telegraph, and cable services During the year the Division reduced the Washington, D C, Government telephone bill by approximately $75,000 annually through the introduction of a dial interdepartmental switching system

Interdepartmental Traffic Committee

Liaison is maintained with all agencies, including the National Military Establishment, through the Interdepartmental Traffic Committee, which was created by the Bureau of Federal Supply for the purpose of conducting continuing studies of transportation rates and services as they affect the shipment of property on which charges are paid and borne by the United States During 1948 the Bureau's Central Traffic Services Division was instrumental in effecting a savings of approximately $5,000,000 through reduced rates negotiated by the Division The Division furnished 33 Government agencies with 22,283 items of rates and related information requiring 42,834 computations

Standardization

The Bureau of Federal Supply, which is responsible for the standardization of materials, equipment, and supplies used by the Federal establishments, maintains a Standards Branch, charged specifically with the identification, classification, and cataloging of items of supply, with the development of Federal and Bureau of Federal Supply specifications, and with the inspection and testing of supplies purchased by the Bureau or by other agencies under the Federal Schedule of Supply term contracts

During the year, the Bureau continued to discharge its basic responsibilities for maintenance of the Federal Standard Stock Catalog and for the development of the Federal Catalog System Approximately 30,000 item identifications were prepared, and 86 new Federal Specifications were published, 78 were revised, and 64 amended Nearly one million copies of Federal Specifications were furnished Government and industry, and, in addition, the Government Printing Office supplied over one and one-half million copies to the National Military Establishment

The Bureau of Federal Supply maintains an inspecting service in the District of Columbia for inspection and testing of incoming warehouse stock, investigation of complaints of receipt of apparently inferior materials delivered on Bureau contracts, the coordination of routine inspection and testing services in the Federal Government, and the inspection in Washington and in the field of strategic and critical materials and materials for relief and assistance to foreign countries As an additional service, a room is maintained where standard samples of articles on purchase under Federal Supply contracts are displayed for examination by representatives of Government agencies During the year samples on display averaged 26,000

Blind-Made Products

Under the act of June 25, 1938 (41 U S C 46–48), known as the Wagner-O'Day Act, nonprofit agencies for the blind sold to the Government during the year $1,810,549 of products made by the blind The products sold came from 48 workshops for the blind, which gave employment to 2,412 blind persons

Forfeited, Seized, and Abandoned Property

Forfeited, seized, and abandoned property totaling $2,044,647 in appraised valuation was reported during the year to the Bureau of Federal Supply, for transfer to other Government agencies or eleemosynary institutions

Strategic and Critical Materials

In accordance with the provisions of the Strategic and Critical Materials Stock Piling Act (Public Law 520, approved July 23, 1946), the Bureau of Federal Supply, operating under directives of the Munitions Board, purchases strategic and critical materials essential in time of national emergency to industrial and military needs

Funds in the amount of $123,871,685 were obligated for the purchase of strategic and critical materials prior to July 1, 1947, and, during the fiscal year 1948, additional obligations amounted to $252,-901,412, making a total of $376,773,097

In addition to the purchases from appropriations, the stock pile has been augmented by $325,000,000 of strategic and critical materials declared surplus by the Reconstruction Finance Corporation and other Government agencies, and accepted by the Munitions Board These surplus materials are being moved into permanent stock pile locations as rapidly as transportation and storage facilities permit

Fiscal Operations

During the year the Fiscal Branch maintained the accounts, audited the vouchers for contract payments, and prepared appropriate financial and statistical reports on the several programs being conducted by the Bureau of Federal Supply

Lend-lease—In the lend-lease program, all defense aid appropriations lapsed as of June 30, 1948 Public Law 785, approved June 25, 1948, extended, for expenditure purposes only, $25,000,000 for the payment of obligations incurred prior to June 30, 1946, of which $12,000,000 will be expended by the Bureau of Federal Supply The principal obligations outstanding consist of an estimated 30,000 claims being filed by approximately sixty American railroads for the differential between commercial and land grant transportation rates on lend-lease materials Other unliquidated obligations in this program are as follows $1,750,000 for claims submitted to the General Accounting Office for direct settlement, $800,000 for supplemental freight bills, and $750,000 for miscellaneous unpaid obligations due contractors

Expenditures for the year totaled $14,254,052 while collections credited to the appropriation totaled $19,487,015, resulting in a credit of $5,232,963

In addition, liquidation of the lend-lease program required the termination of lend-lease contracts as follows

	Number	*Contract price of items canceled*
Contracts terminated	2	$333,064
Contracts settled without cost	1	15,000
Claims filed	2	333,064
Claims settled	8	2,729,119

During the year, gross payments to contractors amounted to $262,093

United Nations Relief and Rehabilitation Administration—The United Nations Relief and Rehabilitation program, except for liquidation purposes, was brought to a close on June 30, 1947 During the year unliquidated obligations were reduced from $52,368,670 to $97,858 Net expenditures for the year amounted to $33,277,250, bringing the accumulated expenditures for the program to $461,765,361

Other programs—Another program brought to a close was the "Cash Reimbursement" arrangement with foreign governments, under which funds were advanced by them for the procurement of materials and supplies Unliquidated obligations were reduced from $1,078,915 to a balance of $344,979 The accumulated expenditures as of June 30, 1948, amounted to $127,597,928

Deposits to and disbursements from the special deposit account (suspense) were heavy during the year, primarily because of the deposit of guarantees by prospective purchasers of equipment sold by the Bureau. The account receives such deposits accompanying bids and returns deposits of unsuccessful bidders. At the beginning of the fiscal year there were in the account 255 items totaling $287,421. During the year, 2,323 additional items were added totaling $3,258,151 deposited. After the clearance of 1,473 items totaling $1,445,428, the account's balance at the year end was 1,105 items totaling $2,100,143. The increase in remaining deposits is due to the large program of selling used cars.

FISCAL SERVICE

The Fiscal Service, at the head of which is the Fiscal Assistant Secretary, was established on June 30, 1940. The Fiscal Assistant Secretary is appointed by the Secretary of the Treasury in accordance with civil service laws. The Fiscal Service consists of the Office of the Fiscal Assistant Secretary, the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States. The work of the Fiscal Service is concerned largely with the day to day fiscal transactions of the Treasury Department. As the titles of the several offices and bureaus imply, this work has to do with the Treasury's financing, accounting, and disbursing, public debt operations, and the receipt, custody, and distribution of the public funds.

ORGANIZATION

Office of the Fiscal Assistant Secretary.—The Fiscal Assistant Secretary, under the direction of the Secretary, supervises the administration of Treasury financing operations, the administration of the functions and activities of the units of the Fiscal Service, and through the Commissioner of Accounts the accounting procedures of all bureaus, divisions, and offices of the Treasury Department. The Fiscal Assistant Secretary serves as liaison between the Secretary and other agencies of the Government with respect to their financial operations in order to coordinate such operations with those of the Treasury, directs the performance of the fiscal agency functions of the Federal Reserve Banks, prepares periodic estimates of the future cash position of the Treasury for use in connection with the financing program, prepares calls for the withdrawal of funds from special depositaries to meet current expenditures, directs the transfer of Government funds between Federal Reserve Banks, coordinates surveys of the constituent units of the Fiscal Service in the interest of economy and efficiency, and handles foreign exchange transactions.

Bureau of Accounts.—The Bureau of Accounts, under the Commissioner of Accounts, is responsible for a variety of fiscal functions and administrative matters. These include (*a*) maintaining the official receipt and appropriation accounts of the Government, (*b*) preparing annually the Combined Statement of Receipts, Expenditures, and Balances of the United States Government, (*c*) preparing annually the Digest of appropriations for the support of the Government of the United States for use by all departments and agencies of the Government, (*d*) performing the disbursing function for all executive

departments and agencies, except the military establishments, the Postal Service, certain Government corporations, the District Government, clerks of United States Courts, and United States marshals, (e) performing general supervision, under the direction of the Fiscal Assistant Secretary, over the accounting functions and activities of all the bureaus, divisions, and offices of the Treasury, (f) developing improved financial reporting systems for the Government as a whole, under the provisions of Executive Order 8512, approved August 13, 1940, as amended, (g) supervising the administration of the Federal depositary system, (h) administering the Government's self-insurance fund under the Government Losses in Shipment Act, (i) performing the administrative work in connection with the investment of trust funds by the Secretary of the Treasury, and (j) performing, for the Secretary, the administrative work in the fixing of underwriting limitations of surety companies authorized to do business with the United States

Other functions include the annual appraisal of the assets and liabilities of the Commodity Credit Corporation, the liquidation of the fiscal affairs of the Lend-Lease Administration and a number of other war agencies, certain administrative duties relating to the granting of authority to disbursing officers to carry cash at personal risk and waiving delinquencies in the rendition of disbursing officers' accounts, handling of judgments and claims for submission to Congress, through the Bureau of the Budget, and to the General Accounting Office for settlement, and reporting expenditures on a checks-issued basis and warrants-issued basis for inclusion in the Daily Statement of the United States Treasury

Bureau of the Public Debt—The Bureau of the Public Debt, under the Commissioner of the Public Debt, exercises general supervision over public debt operations It (a) prepares offering circulars and instructions relating to each offering of public debt securities, (b) directs the handling of subscriptions and making of allotments, (c) prepares regulations governing public debt securities, (d) issues public debt securities and conducts or directs all transactions in the security issues of the United States, and in those of the insular governments and of the Government-owned corporations for which the Treasury acts as agent, (e) supplies issuing agents with securities and maintains reserve stocks, (f) maintains individual accounts with owners of registered securities and pays interest thereon by check, (g) supervises the activities relating to public debt matters of fiscal agents and agencies authorized to issue and pay savings bonds and armed forces leave bonds, (h) handles claims on account of lost, stolen, destroyed, mutilated, or defaced securities, (i) procures and supervises the manufacture of distinctive paper for printing securities and paper currency and maintains reserve stocks of such paper, (j) determines the requirements and orders the production of securities and paper currency, (k) audits securities and retired United States paper currency, and supervises the destruction of the currency and certain securities, (l) certifies to the Comptroller General the account of the Treasurer of the United States covering securities and coupons for which payment has been made, (m) maintains general accounts covering public debt issues, (n) maintains control accounts over currency and distinctive paper in process of printing at the Bureau of Engraving and

Printing, (o) maintains administrative accounts of all debt transactions conducted by the Bureau of the Public Debt, Federal Reserve Banks, Treasurer of the United States, and other official agencies, (p) maintains records of securities issued, (q) maintains files of retired securities, (r) compiles the Circulation Statement of United States Money, and (s) examines and counts mutilated and imperfect work resulting from operations of the Bureau of Engraving and Printing and supervises its destruction

Office of the Treasurer of the United States —The Treasurer of the United States is the official custodian of the public funds All public moneys are required to be deposited to the credit of his account in Federal Reserve Banks and other designated Government depositaries He renders a monthly account of all receipts and disbursements to the Comptroller General for audit and settlement The Office of the Treasurer (a) maintains the accounts of the sales and redemptions of public debt securities and the accounts relating to the assets and liabilities of the Treasurer's general account, a separate account being maintained for the various classifications of receipts and expenditures and with each Federal Reserve Bank and general depositary, (b) maintains approximately 6,000 checking accounts of Government disbursing officers, corporations, postmasters, and agencies, and advances funds to the officers for credit in their disbursing accounts as authorized by accountable warrants, (c) maintains the accounts for the issue and redemption of United States paper currency, and for the redemption of Federal Reserve notes, Federal Reserve Bank notes, and national bank notes, and directs the shipment of currency and coin between the United States Mints, Federal Reserve Banks, etc , (d) examines and redeems public debt securities presented for redemption either direct to the Treasurer or through the various Federal Reserve Banks, (e) acts as special agent for the payment of the principal of and interest on the obligations of Government corporations and agencies and maintains the accounts to show such payments, (f) examines and redeems paper currency, (g) maintains a Cash Division in the Treasury building which receives and pays out money locally, (h) issues checks in payment of claims settled by the General Accounting Office, and (i) prepares the Daily Statement of the United States Treasury showing the assets and liabilities of the general fund and the receipts and expenditures classified under various categories, the monthly statement of the public debt, the monthly statement of the classified receipts and expenditures of the Government, and the monthly statement of paper currency outstanding by kinds and denominations The Treasurer of the United States is Treasurer of the Board of Trustees of the Postal Savings System, custodian of other trust funds, and custodian of certain miscellaneous securities

Improvements in Operating Procedures and Accounting

The procedural staffs and operating personnel of the Office of the Fiscal Assistant Secretary and the three bureaus comprising the Fiscal Service are constantly working to develop more efficient operating procedures and better accounting and reporting methods

Some of the more important accomplishments during the fiscal year 1948 are described in the following paragraphs

Government Accounting System—In January 1948 the Comptroller General of the United States created a new division in the General Accounting Office to deal with the prescription of accounting systems under section 309 of the Budget and Accounting Act of 1921 At the same time the Comptroller General requested the Secretary of the Treasury and the Director of the Bureau of the Budget to join with him in attacking on a broad front the problem of improving the Government's accounting system in the light of the respective responsibilities and fundamental interests of the three agencies The Treasury, represented by the Fiscal Service, is cooperating fully in this undertaking

Daily Statement of the United States Treasury—Effective July 1, 1947, classifications of budget expenditures were rearranged almost entirely on an organizational basis without regard to programs This rearrangement was in the interest of simplicity

Commencing August 1, 1947, cash working balances of the Treasury with the Federal Reserve Banks were shown on the basis of telegraphic reports Formerly, such balances were published in the daily Treasury statement on the basis of daily mail reports received from the Federal Reserve Banks This improvement in reporting resulted in bringing the account "Deposits in Federal Reserve Banks Available Funds," as shown in the daily Treasury statement in agreement with the related account balances shown on the books of the Federal Reserve Banks as of the date of the daily Treasury statement

Beginning with the last issue of the daily Treasury statement for the month of November 1947, a monthly statement of appropriations, expenditures, and balances was included for the purpose of assembling expenditures in their relationship to appropriation acts

Effective July 1, 1948, through the use of teletype facilities, expenditures of the several departments and establishments serviced by the Division of Disbursement, Treasury Department, will be reported in the daily Treasury statement as of the day on which checks are issued in payment of obligations, heretofore, such expenditures were shown in daily Treasury statements as of the dates on which reports were received by mail Expenditures not made through the Division of Disbursement, Treasury Department, are reported on the basis of checks paid by the Treasurer of the United States, as heretofore

Savings bonds—Federal Reserve branch bank operations, previously performed in connection with savings bond issuing agent and paying agent activities, were centralized in the parent Reserve Banks with the exception of the Los Angeles, Detroit, and New Orleans Branches During the process of centralization, tabulating equipment installations, formerly maintained separately for issuing agent activities in certain banks, were consolidated to provide a single installation in each bank It is estimated that an annual saving of more than a million dollars has been realized through these changes

The revision of procedure for redeeming and reissuing savings bonds of Series F and G and Series A–E resulted in a large reduction in personnel in these operations The new procedure eliminates certain

repetitive examinations between the Federal Reserve Banks and various operating units in the Department by permitting the Federal Reserve Banks to redeem and reissue certain classes of bonds It also provides a more economical basis for final posting of redemptions in that postings can be made from listings instead of from the bonds themselves

Inscribing of internal revenue refund checks by transfer posting procedures —The Fiscal Service has worked in close collaboration with the Bureau of Internal Revenue in developing a plan for utilizing mechanical equipment to inscribe income tax refund checks This involves inscribing this class of checks with the name and address of the payee by direct transfer process from the voucher prepared by the collector Study indicates that the adoption of such a procedure will result in substantial savings A number of collectors' offices prepared refund vouchers by this method during 1948 If this experiment proves satisfactory, it will be extended to other collection districts

Settlement of checks —Checks drawn on the Treasurer of the United States, which are lost or stolen after endorsement, have in the past been referred to the Comptroller General for determination of settlement Effective September 10, 1947, the Comptroller General authorized the Treasurer to make settlement in such instances This authorization not only expedited settlements, but also resulted in saving money

Work simplification program —The work simplification program was adopted by the Fiscal Service in the latter part of the fiscal year Program directors were selected and instructed and training materials adapted to meet the specific needs of the bureaus of the Fiscal Service Although the program was still in its initial stages, by the close of the fiscal year, 342 supervisors had been trained, 170 recommendations for improvements had been submitted, and 89 of the recommended improvements had been made Installation of these improvements makes possible the saving of 42,000 man-hours each year It is planned to carry this program to all of the 818 first-line supervisors of the Fiscal Service by the end of the fiscal year 1949

Depositaries of Public Funds

The Treasurer of the United States is the official custodian of moneys of the United States Government These funds are held in the form of gold and silver bullion, currency, and deposits in Federal Reserve Banks, national banks, and other designated domestic or foreign banks

Gold bullion —On June 30, 1948, on the basis of the daily Treasury statement, the Treasury Department held 672,355,965 9 ounces of gold bullion, which, at $35 an ounce, was valued at $23,532,458,806 18, an increase during the year of 64,745,877 6 ounces valued at $2,266,105,714 30 This increase represents net acquisitions by mints and assay offices valued at $2,265,932,947 08, noncurrent gold coin acquired at the price of $20 67+ an ounce amounting to $102,040 39 under regulations dated December 28, 1933, and the increment resulting from the revaluation of gold contained in these coins to $35 an ounce, amounting to $70,726 83

Against this gold were liabilities of $22,459,051,043.45, consisting of $18,826,727,721.98 in the gold certificate fund of the Board of Governors of the Federal Reserve System and $3,632,323,321.47 in special currency reserves. A balance of $1,073,407,762.73 of gold remained in the general fund.

Silver bullion.—The silver holdings of the Treasury were valued on June 30, 1948, on the basis of the daily Treasury statement, at $2,391,819,302.85, an increase of $13,781,695.47 during the year.

These holdings included $1,955,072,479.81 in bullion at monetary value, $91,228,918.51 in bullion at cost, $321,141.78 in bullion at recoinage value, $334,598,786.00 in silver dollars, and $10,597,976.75 in subsidiary coin.

Against the $2,289,671,265.81 representing bullion held at monetary value and silver dollars were liabilities of $2,258,934,263 for outstanding silver certificates and $1,146,166 for outstanding Treasury notes of 1890, leaving $29,590,836.81 in silver at monetary value in the general fund in addition to the amounts of bullion held at cost or recoinage value and the subsidiary coin as set forth above.

Deposits.—Public moneys on deposit to the credit of the Treasurer of the United States on June 30, 1948, on the basis of the daily Treasury statement, in designated Government depositaries amounted to $4,075,276,100.57 including items in transit. During the fiscal year 1948, 1,122 transfers aggregating $873,648,934 were required to establish, increase, or restore the Treasurer's balances with depositaries.

Depositaries for unemployment compensation funds.—Under existing arrangements between the Treasury and the Social Security Administration and with the Veterans' Administration, certain depositary and financial agents of the Government have been allotted Treasury balances and 2 percent depositary bonds as a basis for servicing State Unemployment Compensation Benefit Payment and Clearing Accounts and Veterans Unemployment Compensation Benefit Payment Accounts.

As of June 30, 1948, such arrangements had been made with 71 banks to which Treasury balances totaling $36,700,000, invested in 2 percent depositary bonds, had been allotted. In addition, these banks purchased $13,880,000 2 percent depositary bonds with their own funds, making a total of $50,580,000 2 percent depositary bonds allotted for this purpose.

Banking facilities at military and other Government installations.—Upon request of the respective governmental agencies, the Treasury Department has continued the designation of depositaries to provide banking facilities at certain Army posts, naval stations, veterans' hospitals, and other Government installations. As of VJ-day in August 1945 there were 361 such banking facilities in operation, the largest number during the war period. By June 30, 1946, this number had been reduced to 98, and by June 30, 1948, to 71. The following statement shows the number and classes of limited banking facilities

at military, naval, and other Government installations at the peak of operations and on June 30, 1948

Location of facilities	Facility authorizations in force	
	In August 1945	As of June 30, 1948
Army posts and camps	123	9
Army air fields	117	4
Army hospitals	49	7
Total Army facilities	289	20
Navy yards and stations	51	28
Navy hospitals	5	3
Marine Corps activities	7	5
Total Navy facilities	63	36
Veterans' hospitals		11
Other Government installations	9	4
Total facilities	361	71

Depositaries of the United States—On June 30, 1948, there were 13,269 banks designated as depositaries of public moneys and holding funds on deposit for credit to the Treasurer of the United States and other Government officers This number included 1,725 general and limited depositaries with which accounts to the credit of these officers were maintained, and 10,722 special depositaries which held the proceeds of sales of United States securities There were 9,579 banks qualified as depositaries for withheld taxes, of which 636 held time deposits for credit to the Treasurer of the United States The depositary facilities available June 30, 1948, are shown by classes in the following table

Class	Number of facilities	Deposits to the credit of the Treasurer, U S, June 30, 1948 [1]
Federal Reserve Banks	12	$2,050 500 513 80
Other banks in continental United States		
General depositaries	701	182,575,817 24
Limited depositaries	992	- -
Special depositaries withheld taxes and sales of United States securities	10 722	1,772,641 417 23
Depositaries for withheld taxes, time deposits	636	8,270,500 00
Insular and territorial depositaries	32	22 232 437 41
Foreign depositaries	174	39,040 414 89
Total	13,269	4,075,276,100 57

[1] Excludes amounts held in the names of other Government officers

In respect to the general and limited depositaries, 65 new designations were made during the year and the designations of 55 depositaries were discontinued In 281 cases the amount of the balances to the credit of Government officers which the depositaries had qualified to maintain was increased, and in 383 cases this amount was decreased There were also 319 miscellaneous changes in the status of designations

Depositary bonds—Department Circular No 660, dated May 23, 1941, as amended, prescribes the regulations of the Treasury governing

the issuance of 2 percent depositary bonds These bonds are allotted to banks designated as depositaries and financial agents of the Government The interest on such bonds provides an income to the banks which offsets the cost incurred by them in handling Government business

Department Circular No 714, dated June 25, 1943, prescribes the regulations of the Treasury governing the issuance of the second series of depositary bonds to the various qualified depositaries for withheld taxes

Amounts of depositary bonds issued and redeemed since their inception are shown as follows

2% depositary bonds	Issued	Redeemed	Outstanding June 30, 1948
First Series—General depositary and fiscal agency operations	$612,154 750	$399 801 250	$212 353 500
Second Series—Operations incident to withheld taxes	137,579,500	33,579,000	104 000,500
Total	749,734 250	433 380 250	310 354,000

Federal home loan banks —The Federal home loan banks furnish funds to member savings and loan associations of the Federal Home Loan System through advances secured by mortgages or Government securities These funds are derived from capital stock initially subscribed by the Treasury, from capital stock subscribed by members, and from the sale of their bonds and notes in the market Pursuant to the provisions of section 14 of the Federal Home Loan Bank Act, as amended, the Treasury agreed to make deposits in the Federal home loan banks up to an aggregate amount of $25,000,000 Deposits were made in such banks in such amounts and at such times as requested by the Home Loan Bank Board in the total amount of $10,500,000 for all banks These deposits were subject to the payment of interest by the banks at the rate of 1⅞ percent per annum, payable on June 30 and December 31 As of June 30, 1948, the total amount of $10,500,000 had been repaid together with interest amounting to $7,621 94

Collection and Deposit of Funds

Collections representing funds due the United States are required to be deposited promptly with the Treasurer of the United States This may be done by delivering the funds (1) to a bonded accountable officer who will make the deposit, (2) to an authorized depositary for credit to the account of the Treasurer of the United States, or (3) to the cash room of the Treasurer of the United States in Washington The deposit of receipts is evidenced by a certificate of deposit issued by the depositary, which serves as the basis upon which the Treasury Department issues a warrant formally covering the funds into the Treasury

During 1948 the Division of Disbursement received, deposited, and accounted for 6,813,240 collection items, amounting to more than $9 billion Commercial checks, drafts, postal express money orders, etc, aggregating 3,061,221 items were deposited by Government officers with the Treasurer of the United States for collection This

does not include collection items deposited direct with authorized depositaries by collectors of internal revenue and other collecting officers During the year net budget receipts exceeded $44 7 billion and receipts of trust accounts exceeded $6 5 billion (excluding $3 billion transferred to the Foreign Economic Cooperation trust fund)

Federal savings and loan associations —On June 30, 1948, the Federal Home Loan Bank System reported to the Treasury Department that 1,478 Federal savings and loan associations were eligible to qualify as fiscal agents under Department Circular No 568, dated September 15, 1936, for the purpose of collecting delinquent accounts arising out of insurance and loan transactions of the Federal Housing Commissioner Of this number, 64 had qualified for this purpose, either by the pledge of collateral security or the filing of an acceptable surety bond

Withheld taxes —The Current Tax Payment Act of 1943 provides for the collection at the source of income taxes on salaries and wages Under regulations issued by the Treasury, most of the accumulated funds are deposited monthly by employers in certain designated depositary banks which issue their receipts to the employers These receipts are transmitted with quarterly tax returns filed with collectors of internal revenue Amounts deposited are promptly remitted to the Federal Reserve Banks for credit in the Treasurer's account, or, if the banks designated to receive deposits of withheld taxes so elect, they may transfer withheld taxes to the war loan deposit accounts on their books in accordance with Department Circular 92, as amended March 11, 1948 This alternative method permits a more even flow of funds into the Treasury During 1948 approximately $11 billion in withheld taxes was collected

Payment of Public Creditors

Under Executive Order 6166 dated, June 10, 1933, the Treasury Department, through the Division of Disbursement, provides disbursing facilities for all executive departments and establishments of the Government with the exception of the Postal Service, United States marshals, the Panama Canal, the military establishments, and certain Government corporations In addition to a central office in Washington, D C , and 22 regional offices in the continental United States, the Treasury Department maintains 21 other disbursing offices, of which 4 are in outlying Territories of the United States and 17 are in foreign countries During the year an office in the Dominican Republic was closed

Employees of the Coast Guard functioned as assistants to the Chief Disbursing Officer in 65 subregional offices until February 29, 1948 On March 1, 1948, the 65 subregional offices were reduced to 19 Employees of the 46 offices formerly operating as subregional offices now function as agent cashiers through the 19 subregional offices On June 30, 1948, there were 64 employees of the State Department functioning as disbursing officers by delegation of authority made pursuant to Executive Order 6166, and rendering accounts in their own name for the State Department and other agencies for which they provide disbursing facilities abroad

During the year 161,713,254 payments by check and 772,019 payments in cash were made through the Division of Disbursement

These payments were supported by 10,857,188 pay rolls and other vouchers Of the checks issued, 160,341,886 were in the form of tabulating card-checks payable by Federal Reserve Banks as agents of the Treasurer of the United States

During the year $33,767,870,423 was advanced to disbursing officers of the United States by accountable warrant These funds were credited to checking accounts on the books of the Treasurer Over 236 million checks were paid and charged to these checking accounts Of this number nearly 176 million were paid for the Treasurer by Federal Reserve Banks acting as his agent The total number of checks paid during 1948 decreased by 9 15 percent from 1947, and the number of payments by Federal Reserve Banks decreased by 3 28 percent

Balances to the credit of Government disbursing officers, corporations, and agencies declined from $8 9 billion to $8 5 billion during the fiscal year 1948 The number of checking accounts decreased from 7,588 to 5,192 during the same period

During the year 47,461 substitute checks were requested by payees or endorsees to replace original checks which had been lost, stolen, mutilated, defaced, or destroyed

There were 209 cable transfers, totaling over $19 5 million, to Government officers located in 17 different foreign countries, and 1,943 drafts in the currencies of 53 foreign countries were purchased at a cost of $437,607

Public Law 318, approved August 1, 1947, provides for the orderly transaction of the public business in the event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department In view of such law, it is proposed that regional disbursing officers will cease disbursing and rendering accounts in the name of the Chief Disbursing Officer, effective at the close of business December 31, 1948 Regional disbursing officers will disburse and render accounts in their own names effective January 1, 1949 The Chief Disbursing Officer will act as a funding officer to whom will be advanced all funds requisitioned by the administrative agencies for which the Treasury makes disbursements The Chief Disbursing Officer will transfer funds as needed to the regional disbursing officers upon request of the appropriate administrative agency The Chief Disbursing Officer will render his monthly account for such advances and transfers, while each regional officer will render an account in his own name covering transfers and collections received and taking credit for vouchers paid, transfers to other disbursing officers, and other appropriate items

Bonding of certifying officers —Public Law 389, approved December 29, 1941, provided for the bonding of officers and employees authorized to certify vouchers for payment by disbursing officers in the executive branch of the Government except the military services On June 30, 1948, there were approximately 7,082 bonded certifying officers certifying vouchers under the act

Agent cashiers —There are approximately 1,603 bonded employees of Government agencies who have been designated as agent cashiers of the Chief Disbursing Officer of the Treasury Department Most of these agent cashiers are located in the United States, making emergency payments in cash in cases in which it is impractical to make

payments through the regional disbursing offices of the Treasury Others are on duty in various parts of the world in connection with various governmental operations

Payments in foreign countries—Creditors abroad may be paid by any of the following methods (*a*) Through State Department representatives in foreign countries who function as disbursing officers by delegation of authority from the Division of Disbursement, and who make payments in local currency acquired either by purchase with a check drawn on the Treasurer of the United States or by sale of a draft drawn on the Secretary of State, (*b*) in countries other than Germany or Japan by dollar checks issued in the United States and mailed to payees, (*c*) through the transmission of United States dollar checks to the Department of the Army with the request that Army finance officers abroad make payment in local currency, and (*d*) in local currency drawn from balances held for the account of the Treasurer of the United States in foreign depositaries

Withheld foreign checks—Payment by means of dollar checks has been resumed in all countries except Germany and Japan Payments to persons in these two countries are still restricted by Department Circular No 655, dated March 19, 1941, as amended

A total of $26,844,294 06 has been deposited in the special deposit account entitled "Secretary of the Treasury, Proceeds of Withheld Foreign Checks" Of this amount, $8,714,880 55 has been paid to individual claimants, $787,978 81 has been returned to the appropriation from which the payments were originally made, and $10,340,838 29 has been covered into the Treasury as miscellaneous receipts As of June 30, 1948, a balance of $7,000,596 41 remained in the special deposit account to the credit of approximately 10,659 payees

Under Public Law 622, approved August 7, 1946, provision was made for paying claims on account of withheld checks involving payments to veterans or their beneficiaries out of the current appropriations of the Veterans' Administration The Veterans' Administration is reimbursed from the special deposit account for payments made to the extent such funds are held on deposit in the special deposit account

Settlement of the account of fiscal officers—Public Law 72, approved May 19, 1947, establishes a limit of three years from the date of receipt of the accounts in which the General Accounting Office shall make final settlement of the accounts of any disbursing, accountable, or certifying officer of the Government No further charges or debts shall be raised in the accounts thereafter, except as to moneys which have been or may be lost to the United States as a result of fraud or criminality on the part of the officer The law will take effect three years after the date of its enactment

Public Debt Operations

The gross public debt and guaranteed obligations outstanding on June 30, 1948, amounted to $252,365,707,331 46, a decrease of $6,010,195,962 37 during the year Issues of public debt securities during the year amounted to $121,289,682,653 50 and redemptions totaled $127,283,819,249 18, a net reduction in the public debt of

$5,994,136,595 68 Outstanding guaranteed obligations of certain corporations and agencies, excluding the obligations owned by the Treasury, amounted to $73,460,818 47 on June 30, 1948, a decrease of $16,059,366 69

United States savings bonds —During the fiscal year 1948, both sales and redemptions of Series E savings bonds continued at high levels Approximately 61 million stubs representing issued bonds of Series E were received in the Chicago office of the Bureau of the Public Debt for registration, as compared with 77 million stubs for the previous fiscal year Over 95 million Series E bonds were redeemed and audited during the year, as compared with 113 million in 1947

In the Chicago office, permanent records of the sales and redemptions by serial number and name of owner are maintained The establishment of these records consists of first sorting the stubs by serial number according to series and denomination (numerical file) and microfilming Later the stubs are sorted by name of owner according to series (alphabetical file) and microfilmed, and it is upon the completion of these operations that the stubs are destroyed These operations are accomplished through the media of registration stubs in the form of standard punch cards, each of which carries an exact description, including inscription, of the particular bond issued These punch cards permit the various processes involved in the registration to be conducted largely through machine assortment of the cards From 1941, when Series E bonds were first issued, through the fiscal year 1948 the total number of stubs of Series E bonds received in the Chicago office amounted to 1,180 8 million Although stubs always have been numerically sorted and microfilmed almost as rapidly as received, some of the alphabetical sorting and microfilming operations had to be postponed for several years during the war because of the inability to recruit and train the number of employees required for the work Since then the backlog has been largely eliminated and by June 30, 1949, it is expected that these operations will be current The unprocessed stubs on hand at the close of the year totaled 34 4 million, as compared with 45 7 million stubs at the close of 1947

The registration records of saving bonds of Series F and G are maintained in the same manner as those for Series E, except that in the case of G bonds it is necessary to establish accounts for payment of semiannual interest During the year, 265 thousand stubs of issued Series F bonds and 1,398 thousand stubs of issued Series G bonds were received More than 267 thousand new accounts were established during the year bringing the total number of accounts on June 30, 1948, to over 4 1 million Approximately 8 3 million interest checks were issued to holders of Series G savings bonds

There were 37,490 applications during the year for the issue of duplicates of lost, stolen, or destroyed United States savings bonds, in addition to 5,046 such cases on hand at the beginning of the year In 10,080 cases the bonds were recovered, and in 20,186 cases the issuance of duplicate securities was authorized, 9,223 credit cases were referred to the Washington office On June 30, 1948, only 3,047 cases remained unsettled

Over 99 million savings bonds were redeemed and audited during the year. The audit of redeemed savings bonds is conducted principally through five regional offices of the Register of the Treasury. In accordance with Department regulations, savings bonds after being microfilmed will be destroyed. Early in December 1947 the microfilming of savings bonds was commenced in the regional offices of the Register, thus providing the Department with a permanent record of the redeemed securities. At the close of the fiscal year more than 52 million of the 236 million bonds received had been microfilmed.

In connection with the voluntary payroll allotment plan for the purchase of United States savings bonds by Federal employees, the Chief Disbursing Officer is the bond issuing officer for the departments and agencies served by the Division of Disbursement. During the year the Division of Disbursement collected $64,573,994.00 through withholdings from salaries of Federal employees on account of bond allotments, received $579,237.39 on account of cash sales made for agencies serviced by the Division of Disbursement, and received $693,268.75 on account of cash sales made for the Reconstruction Finance Corporation and Federal Deposit Insurance Corporation, which are not otherwise serviced by the Division of Disbursement. Under this program, there were 2,257,138 savings bonds issued, for which $67,376,364.75 was covered into the Treasury as public debt receipts during the fiscal year. The excess of issues over withholdings and cash sales is due to the purchase of certain of these bonds partially by payroll deductions made in the preceding fiscal year. Pursuant to Department Circular No. 687, dated May 29, 1942, the Treasury Department also prepared 121,644 bond issuance schedules for the Federal agencies participating in the voluntary payroll allotment plan.

Armed forces leave bonds.—The provisions of the Armed Forces Leave Act of 1946 provided that bonds issued in accordance therewith would mature in five years but would be payable upon the death of the registered owner or upon assignment to the Veterans' Administration in payment of premiums on Government life insurance policies. Through June 30, 1948, armed forces leave bonds aggregating $2,081,112,550 in face value had been issued.

Public Law 254, approved July 26, 1947, amended the Armed Forces Leave Act of 1946 thereby permitting the holders to redeem bonds on and after September 1, 1947. By June 30, 1948, armed forces leave bonds aggregating $1,519,368,350 in face value had been redeemed.

Registered marketable issues.—The Treasury Department maintains individual accounts for owners of registered marketable securities of the United States and various Government corporations and credit agencies, and pays periodic interest thereon. On June 30, 1948, there were 402,956 individual accounts covering registered securities aggregating about $45 billion in principal amount. There were 402,892 accounts covering publicly held public debt issues, of which 389,161 accounts were for interest-bearing loans and 13,731 were for matured loans no longer bearing interest. The remaining accounts included those for special issues and for the securities of various Government corporations and credit agencies.

During the year, 24,469 new accounts were opened, 53,033 were closed, and 6,495 were reduced in amount. Over 795 thousand interest checks were issued to owners of record.

Interest on the public debt—On the basis of the daily Treasury statement, $5 211,101,865 47 was paid as interest on the public debt, as shown in the following table

Class of interest payment	Amount
Interest coupons paid	$2 481 922 406 64
Registered interest checks paid	1 100 412 333 41
Discount on Treasury bills sold	132 249 796 20
Accrued interest paid in cash on obligations at redemption	481 498 252 34
Discount accrued on United States savings bonds	804 303 290 51
Interest paid on obligations, special series (transfer counter warrant transactions)	231,000 496 64
Total payments	5 231 455 665 80
Less repayments	20 353 800 33
Net payments	5 211 101 865 47

Servicing of securities for other agencies—In accordance with agreements between the Secretary of the Treasury and the several Government corporations and agencies and insular governments, the Treasurer of the United States acts as special agent for the payment of principal of and interest on their securities The amounts of such payments during the fiscal year 1948, on the basis of the daily Treasury statement, were as follows

Name	Principal	Interest paid in cash	Registered interest	Coupon interest
Federal home loan banks	$175 535 000 00	$79 574 22		$1 750 134 40
Federal farm loan bonds	1 404 200 00	1 267 13	$16 1[illegible]0 88	10 540 385 94
Federal Farm Mortgage Corporation	687, 200 00	2 412 52		32 713 09
Federal Housing Administration	11 352 550 00	132 295 01	834 416 14	
Home Owners Loan Corporation	933 800 00	305 00		60 625 37
Reconstruction Finance Corporation	3 000 00			41 25
Philippine Islands	360 000 00	3 600 00	398 430 25	1 533 287 50
Puerto Rico	546 100 00	1 590 00	106 325 00	370 297 50
Total	190 821 850 00	221 043 88	1 356 328 27	14 287 486 05

Paper Currency

The following table, on the basis of the Monthly Statement of Paper Currency Outstanding, shows the value of paper currency issued and redeemed during 1948, and the amounts outstanding at the beginning and end of the fiscal year

Class	Outstanding June 30 1947	Issued during the year	Redeemed during the year	Outstanding June 30 1948	
				In Treasury	Outside Treasury [1]
Gold certificates	$2 804 068 319		$2 039 470	$82[illegible] 910	$2 800 602 939
Silver certificates	2 244 872 704	$1 688 480 000	1 [illegible]67 [illegible]42 450	16 299 500	4,250 010 754
United States notes	346 681 016	179 092 000	179 092 000	3 680 154	343 000 862
Treasury notes of 1890	1 148 608		1 212	1 230	1 146 166
Federal Reserve notes	24 780 494 655	5 066 053 000	[illegible] 311 216 440	45 320 985	24 458 010 230
Federal Reserve Bank notes	409 443 011		51 122 230	[illegible]	[illegible] 868 220
National bank notes	107 322 550		6 964 474	50[illegible] 480	99 852,596
Total	30 753 530 863	6 933 625 000	7 240 678 282	68 08[illegible] 814	30 378 491 767

[1] Includes holdings of Federal Reserve Banks

• Paper currency outstanding on June 30, 1948, including amounts held by Federal Reserve Banks, is shown by series, class, and denomination in the following table

	Old series (issued prior to 1929)	New series (issued after 1929)	Total
CLASS			
United States notes	$25 029 047	$321 651,969	$340 081 016
Treasury notes of 1890	1 147 396		1 147 396
Federal Reserve notes	45 866,645	24 457 464 570	24,503 831 215
Federal Reserve Bank notes	2 131,805	356 188 070	358 320 775
National bank notes	31 399 534	68 958 542	100 358 076
Gold certificates	23 148,814	2 838 280 035	2 861 428 849
Silver certificates	30 655,968	2 244 654 286	2 275 310 254
Total	159 379 209	30 287 198 372	30 446,577 581
Percent of total outstanding	0 52	99 48	100 00
DENOMINATION			
$1	26,513 252	1 131 169 344	1 157 682,596
$2	7,354 744	68 388 386	75 743,130
$5	31,094,805	2 164 320 880	2 195 415 245
$10	36,599,312	5 329 157 220	5 365 747 532
$20	82,317 830	8 992 792 880	9 025 110 716
$50	9,654 890	2 525 646 575	2,535 301 465
$100	11 281,070	5 027 079 850	5,038 361,520
$500	2,089 500	422 349 750	424 439 250
$1 000	3 120 500	785 313 000	788,433,500
$5,000	130 000	7 590 000	7 720 000
$10 000	170 000	23 390 000	23 560 000
$100 000		2 810 000 000	2 810 000 000
Fractional parts	62 140	487	62,627
Deduct Unknown destroyed	1 000 000		1 000 000
Total	159 379 200	30 287 198,372	30,446 577,581

The percentages of each denomination to the total outstanding paper currency by denomination is shown in the following statement as of the end of each fiscal year since June 30, 1944

Denomination	June 30, 1944	June 30, 1945	June 30 1946	June 30, 1947	June 30 1948
	Percent of total amount outstanding				
$1	4 48	4 01	3 82	3 68	3 80
$2	33	30	27	25	25
$5	8 59	7 94	7 73	7 19	7 21
$10	22 83	22 91	22.21	21 26	20 91
$20	25 83	28 62	30 28	30 05	29 04
$50	6 91	7 47	7 83	8.21	8 33
$100	13 94	14 09	14 47	15 91	16 55
$500	1 99	1 73	1 48	1 45	1 39
$1 000	3 73	3 13	2 65	2 75	2 59
$5,000	06	05	04	03	02
$10 000	16	18	12	08	08
$100,000	11 10	9 57	9 10	0 14	0 23
Total	100 00	100 00	100 00	100 00	100 00
Total amount of currency outstanding	$25 816,087 512	$29 375 368,847	$30 889 810 057	$30 753 530 868	$30 446 577 581

Receipts, issues, and stocks of distinctive paper for use in the manufacture of paper currency were as follows during the year

Kind	On hand July 1 1947	Received	Issued	On hand June 30 1948
	Sheets of 12 subjects			
United States currency and Federal Reserve notes	11 695 330	133 088 057	120 476 225	18 307 162
Philippine currency	716 232		549 600	166 632
Cuban currency		1 317,100	1 316,930	170
Total	12,411 562	134 405 157	122 342 755	18,473 964

United States paper currency shipped during the year from the Treasury in Washington to Federal Reserve Banks and branches and to others amounted to $1,809,584,000, an increase of $19,147,107 over the previous year

The proceeds of currency received into the Treasurer's cash by the Currency Redemption Division of the Treasurer's Office during the year amounted to $490,723,108, of which $345,986,145 was in Federal Reserve notes, $52,049,334 in Federal Reserve Bank notes, $7,201,969 in national bank notes, and $85,485,660 in United States currency

Canceled Federal Reserve notes amounting to $4,931,882,350 were received from Federal Reserve Banks and branches for credit of Federal Reserve agents

The Destruction Committee supervised the incineration of redeemed canceled currency as follows

Class of currency	Pieces	Value
Gold certificates	109 830	$2 602 320 00
Silver certificates	1 168 055 295	1 675 476 025 00
United States notes	45 716 476	181 726 011 00
Treasury notes	184	962 00
Federal Reserve notes	412 267 330	5 012 120 640 00
Federal Reserve Bank notes	3 005 251	51 765 230 00
National bank notes	472 159	6 964 474 00
Total dollar currency	1,636 227 518	6 930 502 548 00

Distribution of Coins

During the year shipments of current silver and minor coins between the United States Treasury, the United States mints, and the Federal Reserve Banks and branches were as follows

Kind	Shipments from Treasury to Federal Reserve Banks and branches	Shipments from mints and assay offices to Treasury and Federal Reserve Banks and branches	Shipments between Federal Reserve Banks and branches
Silver			
Standard dollars		$7 230 000 00	$1,845,000 00
Half dollars	$330 000 00	6 131,103 50	5 130 000 00
Quarter dollars		13,431 500 50	2 095 000.00
Dimes		19,752,600 20	2,475 000 00
Minor			
5-cent coins	275 000 00	7,628,200 10	1 470 000 00
Cents		6 735,320 02	118 000.00
Total	605,000 00	60 908 724 32	13,133 000 00

Shipments and transfers of gold coin and bullion and of uncurrent silver and minor coins to the mints from the Treasury and the Federal Reserve Banks and branches were authorized during the year in the amounts of $170,217.73 and $2,683,002.69, respectively.

Securities Held in Safekeeping

The Treasurer is custodian of securities pledged for the safekeeping and prompt payment of Government deposits in bank depositaries, of postal savings funds in depositaries designated to receive such funds, and, under provisions of law or by direction of the Secretary of the Treasury, of various trust funds comprised of bonds and other obligations and of securities placed in safekeeping by various Government executive departments and bureaus. The face value of such securities held on June 30, 1947, and June 30, 1948, classified according to the purpose for which held, is shown in the following table:

Purpose for which held	June 30, 1947	June 30, 1948
To secure deposits of public moneys in depositary banks	$275,835,150	$255,118,700
To secure deposits of postal savings funds	5,845,450	6,510,950
For District of Columbia:		
Teachers' retirement and annuity fund [1]	11,882,050	13,808,850
Water fund	1,773,000	1,773,000
Other	17,591,170	17,586,670
United States savings bonds held for various depositors	59,302,440	56,795,350
For the Board of Trustees, Postal Savings System	2,099,908,490	2,498,624,100
For the Secretary of the Army	13,105,230	6,895,480
For the Secretary of the Treasury:		
Foreign obligations (World War I)	12,072,130,757	12,072,034,757
Obligations on account of sales of surplus property	46,737,095	46,737,095
Capital stock and obligations of Government corporations and agencies	14,081,502,815	14,795,898,044
Other	4,399,515	11,037,007
For Federal Deposit Insurance Corporation	887,151,100	806,000,000
For Attorney General [2]	20,861,207	21,071,070
Miscellaneous	173,243,592	131,644,333
Total	30,371,329,061	30,741,535,406

[1] The securities held for the District of Columbia teachers' retirement fund were, in accordance with the act approved August 7, 1946, transferred to and held subject to the instructions of the Secretary of the Treasury.

[2] Noninterest bearing participating certificate for funds deposited in the German special deposit account (see p. 102).

Securities and funds, Philippine invasion.—As of June 30, 1948, there had been settled more than 97 percent of all cases involving the custody of valuables delivered to the United States High Commissioner to the Philippine Islands for safekeeping during the emergency due to the Japanese invasion.

Cases settled cover $236,448.61 in United States Treasury checks, $268,025 in United States Treasury bonds, $2,559,201 in United States currency, 319 bars of gold valued in excess of $2,296,000, and 45 containers of jewelry, securities, and other valuables.

Cases pending or dormant cover $200 in United States Treasury checks, $550 in United States Treasury bonds, $4,780 in United States currency, and two bars of gold.

Undelivered savings bonds and cash refunds.—In connection with the operation of the payroll savings system for the purchase of savings bonds by employees of private contractors performing work for the Government, arrangements have been made for the safekeeping by the Treasury Department of undelivered bonds and unclaimed payroll

deductions These bonds and funds, which belong to persons whose whereabouts are unknown, are received by the Treasury under arrangements with the various departments and establishments having jurisdiction over the contracts, and, in many cases, direct with the employers The bonds and funds are held subject to reclaim by employees upon proper identification Under present arrangements, undelivered bonds are forwarded by contractors to the Division of Loans and Currency in Chicago Unclaimed bond deductions not sufficient to buy bonds are forwarded to the Division of Investments of the Bureau of Accounts at Washington, D C As of June 30, 1948, funds amounting to $574,705 97 had been received, covering deductions in 117,923 cases, and $23,579 06 in 2,216 cases had been returned, leaving a balance of $551,126 91 unclaimed in 115,707 cases

Investment of Funds

Trust and special funds invested by the Treasury Department —Under various provisions of law creating trust and special funds, the Secretary of the Treasury or the Treasurer of the United States is authorized to invest such portions of the funds as are not required to meet current withdrawals The following statement shows the amount of Government and other securities held in these funds at the close of the fiscal year Further details on each of these funds are shown in tables 52 through 73

Securities held as investments in trust and special funds, June 30, 1948

[Par values in thousands of dollars]

Fund	Government securities	Other securities	Total
Adjusted service certificate fund	$5 800		$5 800
Ainsworth library fund Walter Reed General Hospital	10		10
Alaska Railroad retirement and disability fund	3 070		3 070
Canal Zone retirement and disability fund	13 127		13 127
Civil service retirement and disability fund	2,794 611		2 794 611
District of Columbia teachers' retirement and annuity fund	13 556	$253	13 809
District of Columbia water fund	1 773		1 773
Federal old age and survivors insurance trust fund	9 930,137		9 930,137
Foreign service retirement and disability fund	12 087		12 087
Library of Congress trust fund		42	42
National Institute of Health gift fund	402		402
National park trust fund	86		86
National service life insurance fund	18		18
Pershing Hall Memorial fund	6 934 685		6 934 685
Railroad retirement account	193		193
Relief and rehabilitation Longshoremen's and Harbor Workers Compensation Act	1 374 500		1 374 500
Relief and rehabilitation Workmen's Compensation Act within the District of Columbia	81		81
Unemployment trust fund	8 297 000		8 297 000
U S Government life insurance fund	1 286 500		1 286 500
U S Naval Academy general gift fund	85		85
Total	30 067 720	295	30 068 015

District of Columbia teachers' retirement and annuity fund —Pursuant to Public Law 624, approved August 7, 1946, the District of Columbia teachers' retirement and annuity fund has been established in the Treasury Amounts deducted from salaries and voluntary contributions by teachers in the public school system of the District of Columbia are deposited into the fund Under the act, the District of Columbia

teachers' retirement fund was abolished and the amounts in that fund and in the related Government reserve fund were transferred to the new fund The act provides that the new fund shall be held and invested by the Secretary of the Treasury (See table 57)

Unemployment compensation disability payments—Section 416 of Public Law 719, approved August 10, 1946, amends the Federal Unemployment Tax Act by providing that the States may withdraw amounts deposited in the unemployment trust fund on account of employee contributions for the purpose of paying unemployment compensation disability payments The States of California, New Jersey, and Rhode Island have passed legislation in connection with the Federal act and have made withdrawals from the unemployment trust fund for the purpose of paying disability benefits

Alien property trust fund—A statement of the alien property trust fund as of June 30, 1948, follows

Alien property trust fund, June 30, 1948

		Amount
Credits (net)		
Trusts		$37, 242, 114 56
Earnings on investments, etc		23, 505, 073 62
Total		60, 747, 188 18
Assets		
Investments		
Participating certificates issued, section 25 (e) of the Trading with the Enemy Act		
Noninterest-bearing	$21, 071, 069 99	
5 percent interest-bearing	35, 893, 129 78	
		56, 964, 199 77
Cash balance with Treasurer of the United States		3, 782, 988 41
Total fund assets June 30, 1948		60, 747, 188 18

Checks issued by the Treasury Department during the year to the Alien Property Custodian on account of the alien property trust fund amounted to $598,621 07 on account of the administrative expense fund

Loans, Credits, and Capital Subscriptions

Credit to the United Kingdom—On March 1, 1948, the Treasury completed payment of $3,750,000,000 to the United Kingdom under the Financial Agreement of December 6, 1945 These payments were as follows

Date	*Amount*	*Date*	*Amount*
July 18, 1946	$300, 000, 000	July 10, 1947	$100, 000, 000
Sept 5, 1946	100, 000, 000	July 14, 1947	150, 000, 000
Oct 24, 1946	200, 000, 000	July 25, 1947	300, 000, 000
Jan 2, 1947	200, 000, 000	Aug 11, 1947	150, 000, 000
Feb 20, 1947	100, 000, 000	Aug 21, 1947	150, 000, 000
Mar 10, 1947	200, 000, 000	Aug 25, 1947	150, 000, 000
Apr 1, 1947	200, 000, 000	Aug 29, 1947	150, 000, 000
Apr 21, 1947	50, 000, 000	Dec 8, 1947	100, 000, 000
Apr 23, 1947	200, 000, 000	Jan 2, 1948	100, 000, 000
May 12, 1947	200, 000, 000	Feb 4, 1948	100, 000, 000
June 2, 1947	200, 000, 000	Mar 1, 1948	100, 000, 000
June 20, 1947	100, 000, 000		
July 1, 1947	150, 000, 000	Total	3, 750, 000, 000

Federal Farm Mortgage Corporation—The Federal Farm Mortgage Corporation retired capital stock in the amount of $990,000 by repayment during the fiscal year 1948 which, together with the repayment of $100,000,000 for capital stock made in 1941, $50,000,000 made in 1946, and $49,000,000 made in 1947, reduced the outstanding capital stock of the Corporation to $10,000 on June 30, 1948

During 1948, no appropriations were approved and no payments were made to the Federal Farm Mortgage Corporation on account of reduction in interest rate on mortgages

Federal home loan banks—During the fiscal year 1948, the Treasury acquired by transfer from the Reconstruction Finance Corporation $122,672,200 in capital stock of the various Federal home loan banks The stock has been reduced by repayments during the year totaling $2,881,000, reducing the stock held by the Treasury on June 30, 1948, to $119,791,200, as follows

Bank	Stock held June 30 1948	Dividends received covering fiscal year 1948
Boston	$12 467 500 00	$124 075 00
Chicago	14 173 900 00	212 608 50
Cincinnati	11 143 700 00	201 [illegible] 13
Des Moines	7 298 700 00	110 202 00
Indianapolis	4 783 300 00	102,026 00
Little Rock	8 772 400 00	109 65[illegible] 00
New York	18,963 200 00	180 032 00
Pittsburgh	11 140 300 00	183 597 25
San Francisco	15 927 000 00	109 098 75
Topeka	7 833 600 00	73 336 00
Winston Salem	7 [illegible]80 700 00	169 061 50
Total	119,791 200 00	1 4[illegible]5 218 13

[1] Dividends declared annually on December 31 of each year

Federal Crop Insurance Corporation—The Department of Agriculture Appropriation Act, 1948, approved July 30, 1947, appropriated $10,000,000 for the subscription and payment by the Secretary of the Treasury of capital stock of the Federal Crop Insurance Corporation Subscription and payment were effected during the fiscal year 1948, bringing the total outstanding capital stock of the Corporation to $100,000,000 on June 30, 1948

Federal Deposit Insurance Corporation—In accordance with the provisions of Public Law 363, approved August 5, 1947, the Corporation paid to the Secretary of the Treasury during the year $266,695,250 41, for retirement of its capital stock This was sufficient to retire all the stock held by Federal Reserve Banks aggregating $139,299,556 99 and $127,395,693 42 of the stock owned by the Treasury The balance of capital stock held by the Secretary of the Treasury on June 30, 1948, amounted to $22,604,306 58

Reconstruction Finance Corporation—During the fiscal year 1948, note obligations of the Reconstruction Finance Corporation were canceled in an amount aggregating $10,048,931,299 32 This amount includes cancellations of $510,848,903 98 and $40,367,816 15 on account of transfer to the Secretary of the Treasury of note obligations in like amounts of the Rural Electrification Administrator and the Secretary of Agriculture under the provisions of the Department of Agriculture

Appropriation Act, 1948 (Public Law 266, approved July 30, 1947), cancellation of $122,672,200 00 on account of transfer to the Secretary of the Treasury of stock in like amount of Federal home loan banks under the provisions of Public Law 132, approved June 30, 1947, cancellation of $9,735,561 99 representing the value of buildings transferred to the United States under Public Law 268, approved July 30, 1947, and cancellations totaling $9,365,306,817 20 in accordance with Public Law 860, approved June 30, 1948 The following summarizes cancellations during the fiscal year 1948 and shows the total of all cancellations through June 30, 1948

		Amount
Obligations canceled through June 30, 1947		[1] $2, 785, 673, 280 61
Obligations canceled during fiscal year 1948		
For capital stock of Federal home loan banks transferred to Treasury (Public Law 132, approved June 30, 1947)		122, 672, 200 00
For amount equal to unpaid principal of loans to Secretary of Agriculture, transferred to Treasury (Farmers' Home Administration program) (Public Law 266, approved July 30, 1947)		40, 367, 816 15
For amount equal to unpaid principal of loans to Administrator of Rural Electrification Administration, transferred to Treasury (Public Law 266, approved July 30, 1947)		510, 848, 903 98
For transfer of buildings to Federal Works Agency (Public Law 268, approved July 30, 1947)		9, 735, 561 99
For unrecovered costs of the Reconstruction Finance Corporation as of June 30, 1947, in national defense, war, and reconversion activities (Public Law 860, approved June 30, 1948)	$9, 313, 736, 531 00	
For accrued interest on above costs paid to Treasury since June 30, 1947 (Public Law 860, approved June 30, 1948)	46, 005, 553 04	
For costs incurred subsequent to June 30, 1947, for handling, storing, processing, and transporting critical materials to stock piles (Public Law 860, approved June 30, 1948)	5, 564, 733 16	
		9, 365, 306, 817 20
Total cancellations fiscal year 1948		10, 048, 931, 299 32
Grand total cancellations through June 30, 1948		12, 834, 604, 579 93

[1] For details of cancellations see annual reports for 1947, p 47 1946, p 81 1945, p 93, 1944 p 94 1943 p 113, 1942, p 41 1941, p 51 and 1940, pp 114-115

Home Owners' Loan Corporation—During the year bonds of the Corporation held by the Treasury were canceled in the amount of $128,154,108 91 including $2,972,358 93 representing the value of a building owned by the Corporation, which was transferred to the United States under Public Law 268, approved July 30, 1947, and $125,181,749 98 on account of the transfer to the Treasury of stock of the Federal Savings and Loan Insurance Corporation under Public Law 860, approved June 30, 1948 The following summarizes can-

cellations during the fiscal year 1948 and also shows amount of cancellations prior to that year

	Amount
Obligations canceled through June 30, 1947	$18,000 00
Obligations canceled during fiscal year 1948	
For transfer of a building to Federal Works Agency (Public Law 268, approved July 30, 1947)	2,972,358 93
For capital stock of Federal Savings and Loan Insurance Corporation (Public Law 860, approved June 30, 1948)	100,000,000 00
For accrued dividends on above stock equal to computed average interest cost incurred by Home Owners' Loan Corporation on its total borrowings during each respective year	25,181,749 98
Total cancellations fiscal year 1948	128,154,108 91
Grand total cancellations through June 30, 1948	128,172,108 91

Rural Electrification Administration and Farmers' Home Administration—The Department of Agriculture Appropriation Act, 1948 (Public Law No 266, approved July 30, 1947), authorized the Secretary of the Treasury in lieu of the Reconstruction Finance Corporation to make loans within limits approved by the Congress to the Administrator of the Rural Electrification Administration to carry out the provisions of the Rural Electrification Act of 1936, as amended, and to the Secretary of Agriculture in connection with activities of the Farmers' Home Administration The Reconstruction Finance Corporation was directed to transfer to the Secretary of the Treasury all such loans outstanding as of the close of June 30, 1947, and the Secretary of the Treasury was authorized to cancel notes of the Reconstruction Finance Corporation in an amount equal to such loans There were transferred to the Secretary of the Treasury under this authority note obligations of the Administrator of the Rural Electrification Administration in the amount of $510,848,903 98 and note obligations of the Secretary of Agriculture in the amount of $40,367,816 15 The note obligations of the Secretary of Agriculture on account of Farmers' Home Administration were paid in full during the fiscal year

The Virgin Islands Company—Public Law No 268, approved July 30, 1947, authorized the Secretary of the Treasury to lend not exceeding $250,000 to the Virgin Islands Company for the purpose of carrying out programs of the Company set forth in the budget for the fiscal year 1948 Under this authority, the Secretary of the Treasury loaned the Virgin Islands Company $250,000, with interest at 1⅞ percent, which was in line with the average rate of interest on outstanding marketable obligations of the United States

Advances to Federal Reserve Banks for industrial loans—Advances to Federal Reserve Banks for industrial loans were authorized by the act approved June 19, 1934 (48 Stat 1105), which amended the Federal Reserve Act, as amended, by adding section 13 (b) The provisions under which the Secretary of the Treasury makes these advances were described on pages 184 and 185 of the annual report for 1940

No advances were made to the banks during the fiscal years 1939 through 1948, the latest advance having been made October 14, 1937 Amounts received by the Treasury during the year aggregated $35,105 68 The following statement summarizes the transactions through June 30, 1948, in connection with these advances to Federal Reserve Banks

Federal Reserve Bank	Advances by Treasury		Payments received by Treasury	
	Maximum authorized	Total advances through June 30 1948	During fiscal year 1948	Total through June 30 1948
Atlanta	$5,272 031 55	$756 934 44	$87 84	$79 268 82
Boston	10 230 236 88	2,875 115 98		280 843 94
Chicago	19,748,516 70	1 417,701 88	426 82	151 045 26
Cleveland	14,146 863 66	1,015 571 83		82 929 94
Dallas	4 359 338 10	1 251 788 08	83 01	102 083 18
Kansas City	4 131,276 80	1,145 717 78	11 48	64 212 70
Minneapolis	3 509 467 65	1 007 746 96		55 614 84
New York	42 529 210 65	7,752,044 63	24,808 42	369 115 87
Philadelphia	14,620,883 52	4,198,400 60	7,059 42	722 406 56
Richmond	5 808,291 43	3 426 662 05	1,992 35	172 493 46
St Louis	5 093 112 25	547,832 83	400 97	7 463 93
San Francisco	0,850,328 30	2,156 795 01	235 37	101 421 87
Total	139 299 556 99	27 546,310 97	35 105 68	2 188 895 27

Railroad obligations —By Executive Order 8533, dated September 6, 1940, as amended by Executive Order 9543, dated April 23, 1945, the Reconstruction Finance Corporation was designated as the agency to act with respect to the bonds, notes, and other securities acquired by the United States in connection with loans made to the Seaboard Air Line Railway Company and the Seaboard-Bay Line Company under section 210 of the Transportation Act of 1920 During the fiscal year, after the securities had been released to the Reconstruction Finance Corporation, the companies were reorganized and the Reconstruction Finance Corporation received cash and securities in payment for accrued interest and in exchange for the old securities Also during the fiscal year, the Reconstruction Finance Corporation sold certain of the securities received in the reorganization Total cash receipts from the reorganization and the sales, amounting to $4,773,779 99, were transmitted by the Reconstruction Finance Corporation to the Treasury and deposited In addition, the Treasury received earnings on other securities held under section 210 and section 207, amounting to $17,676 00, making a total of $4,791,455 99 receipts during the year on account of realization on railroad securities acquired under the Transportation Act, as amended

A summary of the transactions in railroad obligations held by the Government as of June 30, 1948, by classes, is shown in the following table

Class	Principal amount originally held	Principal amount held June 30, 1948	Losses and principal written off on account of reorganizations	Total cash collections	
				Principal	Interest
Transportation Act					
Sec 207	$282,712,837 36	$3 707 000 00	[1] $1 260 069 46	$277 745,167 80	$54 391 653 90
Sec 210	290 800,667 00	2,052,000 00	[2] 22 020 945 32	266,727 721 68	94,879 604 90
Federal Control Act					
Equipment trust notes	346,556 750 00			346,556 750 00	45 338,918 25
Sec 7	98 401 755 00			98,401 755 00	23,100 562 27
Sec 12	62,103 453 28			62 103 453 28	4 248 171 96
Total	1 080 575,402 64	5,759,000 00	23 281,614 78	1 051 534 847 86	221 958 911 34

[1] Includes (*a*) loss on account of the sale on the market of Kansas Oklahoma & Gulf Ry Co stock, $10,069 46 and (*b*) principal of Minneapolis & St Louis R R Co written off on account of reorganization $1,250,000

[2] Includes (*a*) losses on account of sales pursuant to the provisions of act of Aug 13 1940 notes of the Des Moines & Central Iowa (formerly the Interurban Railway Co), Wichita Northwestern Ry Co, Virginia Blue Ridge Ry, and the Wilmington Brunswick & Southern R R Co $1 042 003 09 (*b*) principal written off on account of reorganizations Fort Dodge Des Moines & Southern R R Co $200 000 Minneapolis & St Louis R R Co $1 382 000 Alabama Tennessee & Northern R R Corp, $124 065 Seaboard Air Line Railway Co $14 438 827 01 Seaboard Bay Line Co $347 550 22 total $16 493 342 23 (securities of Seaboard Air Line and Seaboard Bay Line were administered by Reconstruction Finance Corporation under provisions of Executive Orders 8533 of September 6 1940, and 9543 of April 23 1948) and (*c*) principal written off on loans to carriers whose assets when completely liquidated were not sufficient to meet these claims Gainesville Northwestern R R Co $75,000 Missouri & North Arkansas Ry Co $3 500 000 Salt Lake & Utah R R Co $872 600 and Virginia Southern R R Co $38 000 total $4 485 600

The obligations acquired under the provisions of section 207 of the Transportation Act of 1920, as amended, and held on June 30, 1948, are shown in the following table

Carrier	Principal amount of promissory note or of directly held security	Collateral (face amount)	Class of collateral or of directly held security	Principal in default	Interest in default
Chicago, Milwaukee, St Paul & Pacific R R Co	$3 207 000	([1])	5% noncumulative preferred stock of carrier		
Waterloo Cedar Falls & Northern Ry Co	500,000	$625,000	Temporary general mortgage, 7% bonds of carrier	$500,000	$604,931 50
Total	3 707 000			500 000	604 931 50

[1] Securities directly held

The following statement shows the amount of obligations held on June 30, 1948, on account of loans to carriers under section 210 of the Transportation Act of 1920, as amended, and the principal and interest in default

Carrier	Loans outstanding [1]	Principal in default	Interest in default
Georgia & Florida Ry (receiver)[2]	$792,000 00	$792 000.00	$919 120.00
Waterloo Cedar Falls & Northern Ry Co	1 260 000.00	1,260 000 00	1 950 855 71
Total	2,052,000 00	2,052,000.00	2 869 975 71

[1] Does not include loans amounting to $4,485 600 for which the assets of the carriers have been completely liquidated, and which were insufficient to meet the claims, or loans amounting to $1 733 500 adjusted on account of reorganizations

[2] By Executive order, the Reconstruction Finance Corporation has been designated to act in connection with securities for these loans

The following table shows the status of the securities received in reorganization of railroads and held by the Treasury Department and the Reconstruction Finance Corporation, June 30, 1948

Securities received in reorganizations: Held June 30, 1948	Securities received in reorganizations: Sold	Principal proceeds	Interest and dividends
	Treasury, under section 210		
Alabama Tennessee & Northern R R Co $124,900 general mortgage, Series A 4½% income bonds			$22 482 00
	$65 scrip certificate on general mortgage, Series A, 4½% income bonds	$34 70	
Fort Dodge Des Moines & Southern Ry Co $100,000 income mortgage bonds Series B, 4%			8 800 00
10 000 shares of common stock			
Minneapolis & St Louis Ry Co 8 384 80 shares of common stock	(1)		20 340 80
	Reconstruction Finance Corporation under section 210		
Seaboard Air Line R R Co	$3,340,400 1st mortgage 4% bonds, Series A due Jan 1 1996	3 340 400 00	162 114 40
$5 786 800 [illegible] bonds [illegible]			260 361 00
$72 scrip [illegible]			
9 513 19/100 shares of preferred stock			23 857 50
Voting trust certificate for 102 273 81/100 shares of common stock			
	Treasury under section 207		
Minneapolis & St Louis Ry Co 5,201 20 shares of common stock	(1)		18 519 20
Total		3 340,434 70	525 480 90

[1] Sold as of Oct 19, 1948

Federal savings and loan associations—Under the act of June 13, 1933 (48 Stat 133), as amended April 27, 1934 (48 Stat 645), the Secretary of the Treasury was authorized on behalf of the United States to subscribe for preferred shares and full-paid income shares in Federal savings and loan associations upon request of the Federal Home Loan Bank Board An appropriation of $50,000,000 to enable the Secretary of the Treasury to purchase such shares was reduced by an allocation of $700,000 to the Federal Home Loan Bank Board The details concerning the provisions of law under which these subscriptions were made and the appropriations are contained in the annual report for 1940, pages 176 and 177

The Home Owners' Loan Corporation also was authorized to purchase full-paid income shares of Federal savings and loan associations after the funds available to the Secretary of the Treasury for the purchase of such shares had been exhausted The funds available to the Secretary of the Treasury were exhausted on October 25, 1935

During the fiscal year 1948 the sum of $617,600 00 was received on account of shares repaid, making the total shares repaid to June 30, 1948, $48,979,100 00

The following statement shows the transactions in connection with

the subscriptions by the Secretary of the Treasury to preferred and full-paid income shares in these associations through June 30, 1948

	Preferred shares	Full paid income shares	Total
	Par value of shares		
Total shares subscribed and paid	$637 800	$48 662 200	$49 300 000 00
Shares held on June 30 1947		938 500	938 500 00
Less shares repaid during 1948		617 600	617 600 00
Shares held on June 30 1948		320 900	320 900 00
Dividends received on preferred and full paid income shares			
Through June 30 1947			10,627 393 4[illegible]
During 1948			15 965 75
Through June 30 1948			10 [illegible]3 459 20

Obligations of foreign governments, World War I—The United States received during the year payments from the Government of Finland amounting to $424,024 48 on account of its indebtedness, $113,673 91 of which applied on principal due and $310,350 57 on interest A statement showing the amounts which became due and payable during the fiscal year 1948 will be found in table 50 The principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest through November 15 1948, are set forth in table 49

Foreign Currencies

In order to provide a central fiscal control over the custody of excess foreign currencies representing the proceeds from the sale of lend-lease goods, disposal of surplus property, and collections by United States departments and agencies, accounts have been established in the name of the Treasurer of the United States with various foreign banks Such accounts are maintained on the books of the Treasurer of the United States in terms of foreign currencies, on a custodial basis without responsibility as to the ultimate amount of dollars realized upon disposition of the foreign currencies

Up to June 30, 1948, foreign currencies deposited were equivalent to approximately $101,835,382 Disposals amounted to approximately $76,811,264, practically all of which was sold to other departments and agencies against payment of the United States dollar equivalent The remaining foreign currencies valued at approximately $25,024,118 on the basis of exchange rates as of June 30, 1948, comprise the following

Currency	Approximate dollar value	Currency	Approximate dollar value
Indian rupees	$12 735 959	Japanese yen	$429 904
Iranian rials	2 382 876	German marks	335 67[illegible]
Iraqi dinars	2 358 282	Colombian pesos	232 000
French francs	2 127 970	Chilean pesos	179 438
Egyptian pounds	1 944 617	Bolivian bolivianos	12[illegible] 507
Palestine pounds	887 045	All others	334 9[illegible]4
Burmese rupees	516 539		
Lebanese pounds	436 432	Total	25,024,118

During the fiscal year 1948 the Treasury delivered to the Department of State, without payment of the United States dollar value, the equivalent of Chinese currencies in the amount of $83,000 and Philippine currencies in the amount of $200,000 for the purposes authorized under the provisions of section 32 (B) (2) of the Surplus Property Act of 1944, as amended, in connection with educational programs conducted in the respective countries

Fiscal Relationships with the Philippine Islands

Deposits of the Philippine Government—The authority of the Secretary of the Treasury, contained in the act of June 11, 1934 (48 Stat 929), to accept deposits of public moneys of the Philippine Government and to pay interest thereon at not in excess of 2 percent per annum, was continued to July 1, 1951, by Public Law 654, approved August 7, 1946

Two interest-bearing accounts are being carried currently under this authority an account maintained at $55,000,000 since December 10, 1934, bearing 2 percent interest, and an account established at $100,000,000 on March 8, 1946, and increased on October 31, 1947, to $200,000,000 at the request of the Philippine Government, which bears interest at 1 percent

Settlement of prewar depositary account—In connection with the reconstruction of the account of the Treasurer of the United States with the Philippine Treasury, a balance of $525,705 09 was resolved from records available to the Treasury Department Additional information, based on records of the Treasury of the Philippine Islands as audited by the General Auditing Office of the Philippine Government, was obtained, which indicated a balance of $422,674 11 After taking into consideration certain transactions which were known to the Treasury a balance of $433,060 57 due the Philippine Treasury was determined The Comptroller General has approved a settlement with the Philippine Government on this basis A residual balance of $157,689 70 representing the net excess of unidentified credits over unidentified payments will be placed in a special deposit account of the Secretary of the Treasury, where these funds will be held until such time as the General Accounting Office has completed the audit and reconciliation through December 31, 1941, of the accounts of those disbursing officers who customarily used the Treasury of the Philippines as a depositary If this audit identifies any further amounts as having been reported as deposits in the accounts of the disbursing officers, but not specifically identified in the reconstructed depositary account, an amount equivalent to the suspension in the disbursing officer's account will be withdrawn from the special deposit account for reimbursement to the disbursing officer's checking account, thus clearing the suspension

Bonds of the Philippines—Extensive study and conferences with representatives of the Philippine Government which had been carried on during 1946 and 1947 with respect to arrangements required by the Philippine Independence Act, as amended, were completed early in the fiscal year 1948 This act, also known as the Tydings-McDuffie Act (Public Law 127, approved March 24, 1934, as amended by Public Law 300, approved August 7, 1939), required that all bonds of the Philippines, its provinces, cities, and municipalities, issued

prior to May 1, 1934, under authority of acts of Congress, which were held in sinking funds of such outstanding bond issues as of July 4, 1946, should be delivered to the Secretary of the Treasury for destruction It also required that all other assets of sinking funds maintained by the Philippine Government for pre-1934 bonds, together with proceeds of the supplementary sinking fund which had been established for such bonds in the United States Treasury under the provisions of the same act, should be deposited in a special trust account in the name of the Secretary of the Treasury for the payment of future principal and interest on pre-1934 Philippine Government bonds

The physical delivery of securities to the Secretary of the Treasury was delayed as a result of the war with Japan and the necessity of reconciling Philippine accounts after the reoccupation of Manila However, the Philippine securities representing sinking fund assets had been held by United States agencies in custody subject to the sole order of the Secretary of the Treasury since July 4, 1946, pending the determination, from available records, of the specific securities to be delivered to the Secretary

Upon the completion of the necessary determinations the Philippine Government, on July 7, 1947, delivered to the Secretary of the Treasury pre-1934 Philippine Government bonds totaling $13,150,500, United States Government bonds totaling $6,269,750 par value, and 862 shares of stock of the Bank of the Philippine Islands having a par value of 100 pesos per share The Philippine Government bonds were destroyed, as required by the Tydings-McDuffie Act, reducing the outstanding Philippine Government debt on account of bonds issued prior to May 1, 1934, to $23,958,350 as of June 30, 1948

The United States Treasury bonds and the stock of the Bank of the Philippine Islands, together with the assets of the supplementary sinking fund for the payment of Philippine bonds which had been maintained by the Secretary of the Treasury under the provisions of section 6 (g) (1) of the act of August 7, 1939, were deposited in a special trust account established in the name of the Secretary of the Treasury for the payment of future principal and interest on pre-1934 Philippine Government bonds as provided in section 6 (g) (4) of the above-mentioned act

The Philippine Government is also making annual payments to the special trust account in the name of the Secretary which will ultimately provide a balance in this account sufficient to enable the Secretary of the Treasury, in accordance with the provisions of section 6 (g) (5) of the act, to pay future interest and principal on all outstanding Philippine Government bonds issued prior to May 1, 1934 Such payments into the special trust account by the Philippine Government during the fiscal year 1948 amounted to $4,095,589 37

In addition to these annual payments the Philippine Government is continuing to provide the necessary funds for the current servicing and redemption of maturing pre-1934 bonds, as provided by the act of August 7, 1939, until the balance in the special trust account is sufficient to enable the Secretary of the Treasury to pay future interest and principal on all outstanding Philippine Government bonds issued prior to May 1, 1934

The following statement shows the status, as of June 30, 1948, of

the special trust account for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress

I Receipts and Expenditures

	Amount
Receipts	
Taxes on exports	$1, 586, 135 92
Interest on investments	586, 994 72
Profits on investments	1, 757 50
Deposit of Philippine Government	13, 141 85
U S Treasury bonds received from the Philippine Government	6, 269, 750 00
Annual payments by the Philippine Government	4, 095, 589 37
Total receipts	12, 553, 369 36
Expenditures	
Balance in fund	12, 553, 369 36

II Fund Assets

	Face amount	Principal cost
Investments		
U S Government bonds		
2½% savings bonds, Series G–1947 and 1948	$200, 000 00	$200, 000 00
2¼% Treasury bonds of June 15, 1959–62	24, 500 00	24, 603 36
2¼% Treasury bonds of December 15, 1959–62	832, 000 00	844, 844 99
2¾% Treasury bonds of 1958–63	3, 169, 750 00	3, 169, 750 00
2⅞% Treasury bonds of 1955–60	1, 100, 000 00	1, 100, 000 00
2¾% Treasury bonds of 1956–59	2, 000, 000 00	2, 000, 000 00
2¼% Treasury bonds of 1956–59	3, 265, 500 00	3, 345, 405 64
2½% Treasury bonds of 1956–58	548, 550 00	566, 014 53
Total United States securities	11, 140, 300 00	11, 250, 618 52
Philippine Government bonds		
4½% due December 1, 1950	33, 000 00	34, 138 98
5% due February 1, 1952	39, 000 00	41, 583 29
4½% due July 1, 1952	375, 000 00	395, 785 19
4½% due July 15, 1952	402, 000 00	419, 465 99
5% due April 1, 1955	21, 000 00	19, 877 50
4½% due May 1, 1957	5, 000 00	5, 536 84
4½% due July 1, 1957	68, 000 00	75, 835 88
4½% due March 1, 1958	46, 000 00	51, 742 90
4½% due April 1, 1958	56, 000 00	64, 703 67
4½% due April 1, 1959	73, 000 00	78, 696 06
4½% due September 15, 1959	41, 000 00	46, 445 16
4½% due October 1, 1959	20, 000 00	22, 802 13
4½% due October 15, 1959	7, 000 00	7, 925 72
Total Philippine securities	1, 186, 000 00	1, 264, 539 31
Total investments	12, 326, 300 00	12, 515, 157 83
Accrued interest purchased		14, 411 62
Cash balance with Treasurer of the United States		23, 799 91
Total		12, 553, 369 36

Note —This statement does not include 862 shares of stock in Bank of the Philippine Islands formerly held in Philippine sinking fund and transferred to this account under Public Law 300 approved August 7, 1939

International Claims of American Nationals, Etc

Expropriation of petroleum properties by Mexico—During the fiscal year 1948 the Treasury completed distribution of $29,137,700 84

to thirteen American oil companies The amount was received from the Government of Mexico by agreement with the Government of the United States in the settlement of the claims of the companies whose rights and properties had been affected by expropriation by the Mexican Government

Settlement of Mexican Claims Act of 1942—In accordance with the provisions of the Settlement of Mexican Claims Act of 1942, as amended, the Secretary of the Treasury authorized distributions to June 30, 1948, totaling 52 5 percent of the principal amount of awards and appraisals certified for payment by the Secretary of State or the American Mexican Claims Commission The status of compensation for claims handled under the convention between the United States and Mexico dated November 19, 1941, is set forth in the following table

Amounts paid into the fund as of June 30, 1948

	Amount
Under the agrarian claims agreement of 1938	$3, 000, 000 00
Paid on exchange of ratifications of the agreement	3, 000, 000 00
Annual installments due from Government of Mexico through November 1947	15, 000, 000 00
Appropriated by the Government of the United States covering amount of awards and appraisals made on behalf of Mexican nationals	533, 658 95
Total	21, 533, 658 95

Claims certified for payment

By the Secretary of State,	
Decisions rendered by the General Claims Commission	$201, 461 08
Appraisals agreed upon by the Commissioners designated by Governments of the United States and Mexico, pursuant to the general claims protocol between the United States and Mexico signed Apr 24, 1934	2, 599, 166 10
Total	2, 800, 627 18
By the American Mexican Claims Commission,	
Decisions under the provisions of secs 4 (b), 4 (c) and 5 (d) of the act	37, 948, 200 05
Grand total of claims certified	40, 748, 827 23

Status of the fund as of June 30, 1948

Credits		
Payments received from Government of Mexico under agreement of Nov 19, 1941		$21, 000, 000 00
Appropriation made by Government of the United States on account of awards and appraisals made on behalf of Mexican nationals		533, 658 95
Total		21, 533, 658 95
Less amount paid to American claimants		
Fiscal year 1943	$637, 036 24	
Fiscal year 1944	6, 333, 636 13	
Fiscal year 1945	1, 443, 226 94	
Fiscal year 1946	4, 993, 915 36	
Fiscal year 1947	3, 076, 040 35	
Fiscal year 1948	4 354, 144 31	
		20, 837, 999 33
Unexpended balance to the credit of the Chief Disbursing Officer June 30, 1948		695, 659 02

Of the unexpended balance of $695,659 62, the amount of $555,-134 97 is obligated for payment within the distributions totaling 52 5 percent authorized to date The balance of $140,524 65 is available for further distribution on the principal amounts of awards and appraisals

Special Mexican Claims Commission, United States and Mexico —The following table sets forth the status of claims of American nationals against Mexico taken up under the convention between the United States and Mexico dated April 24, 1934

Statement of awards made by Special Mexican Claims Commission, United States and Mexico, as of June 30, 1948

		Amount
Amount of final awards to claimants after application of sec 4 of the act approved Apr 10, 1935		$5, 210, 108 92
Amount available for distribution to claimants out of $200,581 70 interest collected from Mexico account of interest on deferred payments		196, 943 61
		5, 407, 052 53
Amount received from Government of Mexico		
Through June 30, 1944, $5,000,000 principal and $196,101 50 interest	$5, 196, 101 50	
Jan 5, 1945, $448,020 14 principal and $4,480 20 interest	452, 500 34	
Total through June 30, 1948		5, 648, 601 84
Less amount transferred to miscellaneous receipts to cover the expenses of the Commission		241, 549 31
Available for payment to claimants		5, 407, 052 53
Amount paid to claimants		
Fiscal year 1939	$2, 087, 193 47	
Fiscal year 1940	678, 717 90	
Fiscal year 1941	537, 124 56	
Fiscal year 1942	516, 380 29	
Fiscal year 1943	505, 672 15	
Fiscal year 1944	484, 399 06	
Fiscal year 1945	358, 567 76	
Fiscal year 1946	138, 293 74	
Fiscal year 1947	5, 086 92	
Fiscal year 1948	62, 323 21	
Total through June 30, 1948		5, 373, 759 06
Balance due claimants, for which vouchers have not been received		33, 293 47

Settlement of War Claims Act of 1928, World War I claims —The Settlement of War Claims Act of 1928 (45 Stat 254) authorized the Secretary of the Treasury to make payments on account of claims arising out of World War I (1) awards of the Mixed Claims Commission, United States and Germany, for claims of American nationals against the Government of Germany, (2) awards of the War Claims Arbiter for claims of German, Austrian, and Hungarian nationals

against the Government of the United States, and (3) awards of the Tripartite Claims Commission for claims of American nationals against the Governments of Austria and Hungary For a more detailed discussion of these awards and payments see pages 123 to 128 of the annual report for 1941

Public Law 375, approved August 6, 1947, amends the Settlement of War Claims Act of 1928 by changing the order of priority of payment to make possible a further distribution to the holders of Class III awards of the Mixed Claims Commission Payment under the act is made from funds certified by the Office of Alien Property for deposit in the German special deposit account The act provides that for the purpose of accumulating further interest, the principal amount of each award shall be reduced by the amount paid on account of interest accrued During the fiscal year 1948, the Office of Alien Property certified $6,750,000 to the German special deposit account and the Secretary of the Treasury determined that the amount was sufficient to authorize a distribution of ten percent on account of interest accrued on Class III awards (in excess of $100,000) As of June 30, 1948, $6,307,654 38 of the amount had been paid

The following table sets forth the status of awards of the Mixed Claims Commission

Status of awards of Mixed Claims Commission in favor of American nationals through June 30, 1948 [1]

Awards certified	Total number of awards	Total amount
1 Amount due on account Principal of awards	7 026	$181 698,235 30
Less amounts paid Alien Property Custodian and others		187 226 85
		181 511 008 45
Interest to Jan 1 1928, at rates specified in awards		81 465 086.36
Interest thereon to date of payment or through June 30, 1948 if unpaid, at 5 percent per annum as specified in the Settlement of War Claims Act of 1928		131, 646, 887 91
Total due claimants		394, 622 982.72
2 Payment made on account through June 30, 1948		
Principal of awards	6, 671	152, 406 077 39
Interest to Jan 1, 1928 at rates specified in awards	-	8, 938, 824 97
Interest at 5 percent per annum from Jan 1, 1928 to date of payment as directed by the Settlement of War Claims Act of 1928		8, 589, 730. 22
Total payments through June 30 1948		169 935 032 58
Less one half of 1 percent deduction from each payment		849 675 64
Net payments made to claimants through June 30, 1948		169 085 356. 94
3 Balance due on account		
Principal of awards	355	101 622, 748 31
Interest to Jan 1 1928, at rates specified in awards		7 544. 14
Accrued interest at 5 percent per annum from Jan 1 1928 through June 30 1948, on unpaid balance of total amount payable as of Jan. 1 1928		123 057 657 69
Balance due claimants through June 30, 1948		224 687, 950 14

[1] Includes payments on account of Private Law 509, approved July 19, 1940

Under the Settlement of War Claims Act of 1928, it was the duty of the War Claims Arbiter, within certain limitations, to hear the claims of German, Austrian, and Hungarian nationals and to determine the fair compensation to be paid by the United States for ships seized, patents sold or used by the United States, and a radio station sold to the United States during World War I

The Treasury has made payment up to June 30, 1935, of 50 percent of the amount of all awards made by the War Claims Arbiter in favor of German nationals as required by paragraph 7 of section 4 (c) of the Settlement of War Claims Act of 1928 No payments were made on these awards subsequent to that date

The following summary shows the number and amount of awards in favor of German nationals certified to the Treasury for payment, the payments made on account, and the balance due thereon, as of June 30, 1948

Status of awards of War Claims Arbiter in favor of German nationals through June 30, 1948

Awards certified	Total (315 awards)	Ships (27 awards)	Patents and radio station (288 awards)
1 Amount due on account			
Principal of awards including interest to Jan 1 1929	$86,738 320 83	[1] $74,252,933 00	$12,485,387 83
Interest at 5 percent per annum from Jan 1 1929 on total amount payable as of Jan 1, 1929 or on the principal amount remaining unpaid through June 30 1948	46 973 267 14	40 061 976 10	6,911 290 98
Total due claimants	133 711,587 97	114 314,909 10	19 396 678 81
2 Payments made on account through June 30, 1948			
Principal of awards	43 368 809 24	37 126,205 21	6,242,604 03
Interest at 5 percent per annum from Jan 1 1929, on total amount payable as of Jan 1, 1929 or on the principal amount remaining unpaid through June 30 1948		-	
Total payments through June 30, 1948	43 368 809 24	37 126 205 21	6 242 604 03
3 Balance due on account			
Principal of awards	43,369,421 59	37,126,727 79	6,242,693 80
Interest accrued at 5 percent per annum from Jan 1 1929 on total amount payable as of Jan 1, 1929, or on the principal amount remaining unpaid through June 30, 1948	46 973 267 14	40 061 976 16	6 911 290 98
Balance due claimants	90,342 688 73	77,188,703 95	13 153 984.78

[1] Includes awards amounting to $522 58 to members of the former ruling family of Germany (sec 3 (j), Settlement of War Claims Act of 1928 as amended)

The awards made to Hungarian nationals in the sum of $39,125 with interest at the rate of 5 percent per annum from July 2, 1921, to December 31, 1928, amounting to $14,675, have been paid with the exception of one award amounting to $137 51, together with interest thereon at the rate of 5 percent per annum from December 31, 1928 No payments were made during the year on these awards

The following statement shows the status of the German special deposit account through June 30, 1948

German special deposit account through June 30, 1948

RECEIPTS			
Total receipts			$214,148,818.62
PAYMENTS			
Awards of the Mixed Claims Commission			
Under agreement of Aug. 10, 1922	$154,900,177.69		
Under agreement of Dec. 31, 1928	7,684,835.94		
Private Law 509	164,227.80		
		$162,809,240.83	
Interest payment in accordance with Public Law 375, approved August 6, 1947		6,276,116.11	
Awards of War Claims Arbiter			
For ships	$37,126,205.21		
For patents and one radio station	6,242,694.03		
		43,368,899.24	
One-half of 1 percent deducted from Mixed Claims payments covered into Treasury		816,152.84	
One-half of 1 percent deducted from Mixed Claims payments on account of awards entered under agreement of Dec. 31, 1928 (act of June 21, 1936) and paid to Germany ($14,466.95 withheld but not paid)		24,150.69	
One-half of 1 percent deducted on account of Private Law 509 withheld and covered into the Treasury		905.76	
Advances to special fund, expenses of administration of the Settlement of War Claims Act of 1928 (Office of the Secretary of the Treasury)		96,175.66	
Expenses of administration, War Claims Arbiter, account of German nationals		113,624.20	
Total payments			213,499,264.07
Cash balance in German special deposit account			639,554.55

The awards entered by the Tripartite Claims Commission against Hungary, in favor of American nationals, amounted to $199,975.57. During the fiscal year 1948 no payments were made on account of such awards. As of June 30, 1948, awards aggregating $7,257.35 had not been paid because claimants had not filed applications as required by law.

Claims of American nationals against Turkey.—The Special Claims Commission, United States and Turkey, established under the agreement of December 24, 1923 (see page 196 of the annual report for 1940 for further details of this agreement), made awards in 33 cases aggregating $899,338.09, which was reduced by $70,891.06 on account of expenses incurred by the United States, leaving net awards amounting to $828,447.03 payable from funds received from the Republic of Turkey. Under the provisions of the act of February 27, 1896 (29 Stat. 32), these awards were certified on August 19, 1937, by the Secretary of State to the Secretary of the Treasury for payment. During the fiscal year 1945 the final installment of payment was received from the Republic of Turkey, and made available for payment to the claimants.

As of June 30, 1948, $825,611.81 had been paid to claimants, leaving a balance of $2,835.22 against which applications for payments have not been received.

APPRAISALS OF ASSETS AND LIABILITIES OF THE COMMODITY CREDIT CORPORATION

The act approved March 8, 1938 (52 Stat. 107), as amended by the act approved April 12, 1945 (59 Stat. 50), requires the Secretary of the Treasury to make an appraisal as of June 30 of each year of the assets and liabilities of the Commodity Credit Corporation to determine the net worth of the Corporation. In the event that any such appraisal shall establish that the net worth of the Corporation is less than

$100,000,000 the Secretary of the Treasury is to submit an estimate and recommend that the Congress appropriate the funds necessary to restore the capital impairment In the event that any appraisal shall establish that the net worth of the Corporation is in excess of $100,000,000, such excess shall be deposited by the Corporation in the Treasury as miscellaneous receipts The act approved February 28, 1944 (58 Stat 105), requires the Comptroller General to make an annual audit of the financial transactions of the Corporation beginning with the fiscal year 1945 and to furnish a copy of each audit report to the Secretary of the Treasury for consideration in appraising the assets and liabilities for determining the net worth of the Corporation in accordance with the provisions of the act of March 8, 1938, as amended

Appropriations were made directly to the Treasury for the restoration of the Corporation's impaired capital through June 30, 1944 Subsequent to June 30, 1944, the Congress effected restorations of impaired capital by authorizing and directing the Secretary of the Treasury to discharge indebtedness of the Corporation to the Treasury by canceling the Corporation's notes for an amount equivalent to the capital impairment

The appraised value of the assets of the Commodity Credit Corporation on June 30, 1947, exceeded the liabilities, the unexpended balance of an appropriation held in reserve for postwar price support of agriculture, and the capital stock by $17,693,492 14 The surplus of $17,693,492 14 was paid into the Treasury as miscellaneous receipts on April 28, 1948, making the net charge against the Treasury for the impairment of capital from inception of the Corporation $1,946,310,554 14

The payments and cancellations of corporate notes are as follows

Appropriations		
Act of June 25, 1938 (appraisal as of Mar 31, 1938, H Doc 670, 75th Cong)		$94, 285, 404 73
Act of Aug 9, 1939 (appraisal as of Mar 31, 1939, H Doc 317, 76th Cong)		119, 599, 918 05
Act of July 3, 1941 (appraisal as of Mar 31, 1941, H Doc 248, 77th Cong)		1, 637, 445 51
Act of Apr 25, 1945 (appraisal as of Mar 31, 1944, H Doc 48, 79th Cong)		[1] 256, 764, 881 04
Total appropriations		472, 287, 649 33
Cancellation of obligations of the Corporation held by the Treasury		
Act of July 20, 1946 (appraisal as of June 30, 1945, H Doc 54, 79th Cong)	$921, 456, 561 00	
Act of May 26, 1947 (appraisal as of June 30, 1946, H Doc 186, 80th Cong)	641, 832, 080 64	
		1, 563, 288, 641 64
		2, 035, 576, 290 97
Less amount returned to Treasury		
Appraisal as of Mar 31, 1940	43, 756, 731 01	
Appraisal as of Mar 31, 1942	27, 815, 513 68	
Appraisal as of June 30, 1947	17, 693, 492 14	
		89, 265, 736 83
Net payments to Corporation to restore impairment of capital		1, 946, 310, 554 14

[1] Includes $39,436,884.93 appropriated for capital impairment, applicable to Mar. 31, 1943 appraisal

Liquidation of Federal Agencies

Lend-lease fiscal operations—Pursuant to Executive Order 9726, dated May 17, 1946, the Treasury Department assumed control over fiscal records on lend-lease and reciprocal aid, effective at the close of business on May 31, 1946 Two major operations are involved in the work taken over (1) Accounting and reporting on appropriations, allocations, and transfers to foreign governments, and (2) billing and collecting for reimbursable supplies and services furnished to foreign governments

In most lend-lease transactions the United States Government furnished defense articles or services required for the successful prosecution of the war, with the understanding that all articles not destroyed, lost, or consumed are subject to recapture by the United States In the language of the Lend-Lease Act, "the benefit to the United States may be payment or repayment in kind, or property or any other direct or indirect benefit which the President deems satisfactory"

In addition, there were agreements to furnish articles through lend-lease procurement facilities Financial arrangements required (1) payment in advance of procurement, (2) immediate payment upon rendition of a bill, or (3) credit arrangements In the first instance, lend-lease facilities were made available only where procurement through normal commercial channels was not feasible In the second instance, foreign governments were permitted to submit lend-lease requisitions calling for cash payment with the understanding that immediate cash settlement would be made after delivery on the basis of actual billings

In cases involving credit arrangements, agreements of several types were concluded with foreign governments Treaty agreements made early in the war with 18 American republics provided that repayment for a certain percentage of the cost of defense articles and services supplied under the Lend-Lease Act would be made over a period of years according to the financial capacity of each country

A second type of agreement was concluded with certain governments providing that articles and services contracted for prior to the cessation of hostilities would be delivered and the foreign governments would pay for such articles and services over a period of years with interest

In some cases, final settlements were agreed to, providing, in most cases, for interest and principal payments over a period of years Some of these final settlements provided offset of debts or claims in specified categories with or without transfer of funds Such agreements may cover lend-lease transactions only or may include sales of surplus materials and other types of financial transactions

Under the Lend-Lease Act, defense articles and services under all agreements were provided to the amount of $50,205,229,788 16 between March 11, 1941, and March 31, 1948 Reverse lend-lease, consisting of articles and services furnished by foreign governments to the United States up to September 2, 1945, amounted to $7,819,322,790 90 Between March 11, 1941, and June 30, 1948, funds received from foreign governments amounted to $1,700,279,438 43 Of this amount a total of $1,208,865,869 45 has been covered into the United States Treasury as miscellaneous receipts

Other war agencies—Under Executive Order 9471 of August 25, 1944, the Division of Central Administrative Services of the Office of Emergency Management was abolished and its functions were transferred to the various constituent agencies of that office On December 1, 1944, the Bureau of Accounts took over the liquidation of the residual affairs of the Division The work of liquidation relates mainly to winding up fiscal matters, including such action as examining and certifying outstanding obligations for payment, making administrative recommendations on claims under expired appropriations, answering exceptions taken by the General Accounting Office to prior payments, collecting moneys due the United States, closing out appropriation and fund accounts, and preparing permanent records for transfer to the National Archives Aside from the fiscal work certain other incidental functions are performed, such as disposing of surplus property, placing or separating excess personnel, and handling general administrative matters arising out of prior transactions

Similar arrangements were effected by the President for other war agencies as follows

Name of agency	Authority for liquidation	Liquidation commenced
Office of Civilian Defense	Executive Order 9562	July 1, 1945
War Refugee Board	Executive Order 9614	Sept 16, 1945
Office of Censorship	Executive Order 9631	Nov 16 1945
Office of War Information	Executive Order 9608	Jan 1 1946
Committee on Fair Employment Practice	President's letter of May 18, 1946	May 18 1946
Price Decontrol Board	President's letter of June 30 1947	June 30 1947

In anticipation of the ultimate liquidation of the Office of Defense Transportation created by Executive Order 8989 of December 18, 1941, arrangements were made whereby the Bureau of Accounts undertook to perform the fiscal functions required for that agency on a reimbursable basis commencing as of January 1, 1946 Such services include the maintenance of appropriation and fund accounts, the performance of incidental audit work, preparation of pay rolls, and the preparation of financial reports

As of June 30, 1948, the work of liquidating the other war agencies is practically completed There remain to be processed a few claims, exceptions, etc, from the General Accounting Office, and the Office of Civilian Defense property accounts These will all be completed and closed out by June 30, 1949

Tennessee Valley Associated Cooperatives, Inc—Public Law 268, approved July 30, 1947, directed that appropriate steps be taken to secure the final dissolution and liquidation of the Tennessee Valley Associated Cooperatives, Inc, at the earliest practicable date, and that such dissolution and liquidation be under the supervision and direction of the Secretary of the Treasury

The Board of Directors in existence at the time the act was passed resigned and a new Board was appointed at the request of the Secretary of the Treasury, consisting entirely of officers of the Treasury Department At the first meeting of the new Board the following officials of the Treasury Department were elected officers

Edward F Bartelt, Fiscal Assistant Secretary, President and Chairman
Robert W Maxwell, Commissioner of Accounts, Secretary-Treasurer and Director
Norman O Tietjens, Assistant General Counsel, Counsel and Director
Gilbert L Cake, Associate Commissioner of Accounts, Assistant Treasurer

At the time the liquidation of the Corporation was undertaken under the supervision of the Secretary of the Treasury, its principal assets consisted of cash, receivables from other cooperatives against which the General Accounting Office in its audit of the affairs of the Corporation had established substantial reserves for losses, and investments in preferred stock of other cooperatives By the end of the fiscal year all assets of the Corporation had been liquidated or were in the final stages of liquidation except investments in preferred stock The property sold was disposed of under competitive bidding

During the year total receipts amounted to $32,961 and expenditures amounted to $1,661 The amount of $50,000 from funds of the Corporation was deposited in the Treasury as miscellaneous receipts

Public Law 860, approved June 30, 1948, provides that the Secretary of the Treasury shall take appropriate steps to secure the final dissolution and liquidation of the Corporation at the earliest practicable date and contains authority for the Board of Directors to transfer to the Secretary of the Treasury title to assets (other than real property) of the Corporation upon certification of the president of the Corporation that such transfer is to the interest of the Government of the United States The Secretary of the Treasury is authorized to dispose of assets transferred at such times and in such manner as he may determine

There follows a comparative balance sheet of the Corporation reflecting its financial condition as of July 30, 1947, and June 30, 1948, and a cash receipts and expenditures statement covering the period of July 30, 1947, to June 30, 1948

Tennessee Valley Associated Cooperatives, Inc, comparative balance sheets as of July 30, 1947, and June 30, 1948

	July 30, 1947		June 30, 1948		Change	
ASSETS						
Cash with Treasurer U S		$23,647		$4 947		−$18,700
Investments in cooperatives						
Accounts and notes receivable	$235,910		$15 272		−$220 638	
Less Reserve for losses	186,000		12,067		+173 933	
Estimated amount realizable on accounts and notes receivable		49 910		3 205		−46 705
Preferred stock of cooperatives at cost		33 825		33,825		
Real estate, at cost		152				−152
		107 534		41 977		−65 557
LIABILITIES						
Accounts payable		3 002		3 128		+126
Investment of U S Government						
Capital stock		1,000		1,000		
Surplus (representing the balance of $300,000 grant)		103,532	87,849		−15,683	
Less Deposit to miscellaneous receipts in U S Treasury			50,000		−50,000	
				37,849		−65 683
		107,534		41 977		−65 557

Tennessee Valley Associated Cooperatives, Inc, statement of cash receipts and expenditures from July 30, 1947, to June 30, 1948

Cash balance with Treasurer, U S, July 30, 1947		$23,647 00
Receipts		
Realization on assets		
Accounts and notes receivable	$32,811 00	
Real estate	150 00	
Total receipts		32,961 00
		56,608 00
Expenditures		
Administrative expenses	379 00	
General Accounting Office audit	1,282 00	
Payment into U S Treasury	50,000 00	
Total expenditures		51,661 00
Cash balance with Treasurer, U S, June 30, 1948		4,947 00

Federal control of railroads —The Treasury continued during the fiscal year 1948 the liquidation of matters growing out of the control of the American transportation system which was exercised through the United States Railroad Administration during the period from December 28, 1917, to February 29, 1920

Total receipts on account of the Federal control of railroads for the fiscal year 1948 were $5,323 40, and expenditures were $6,143 72, resulting in net receipts of $820 32, as compared with net receipts of $891 00 for 1947

At the close of business on June 30, 1948, the cash and appropriation balance aggregated $25,795 11 as compared with $26,615 43 at the close of 1947

A statement of receipts and expenditures follows

Receipts and expenditures in connection with Federal control of railroads, fiscal years 1947 and 1948

	1947		1948	
Balances at beginning of year:				
Secretary of the Treasury, special deposit account	$26,524 13		$23 446 73	
Unrequisitioned appropriation balances				
Federal control transportation systems	77,200 30		3,168 70	
Total balances		$103,724 43		$26,615 43
Receipts				
Dividends collected on common stock of Minneapolis & St Louis Ry Co	3,968 40		5,291 20	
Federal tax withheld from salaries of Federal employees Treasury Department	69 80		32 20	
Collection of miscellaneous claims referred to Washington from field, including transportation charges, undercharges, etc	72.86			
Total receipts		4,111 06		5 323 40
Total balances and receipts		107,835 49		31,938 83

Receipts and expenditures in connection with Federal control of railroads, fiscal years 1947 and 1948—Continued

	1947		1948	
Expenditures				
Employees compensation liability awards	$780 00		$780 00	
Claims for Liberty bond subscription refunds	5 00		10 00	
Deposits with the Workmen's Compensation Board of Ontario, account of compensation liability			2,875 40	
Payments to collector of internal revenue of Federal tax withheld from salaries of Federal employees, Treasury Department	76 20		38 10	
Administrative expenses (pay rolls)	2 356 86		2,440.22	
Total expenditures		$3,220 06	-	$6,143 72
Transfers from appropriation account to surplus fund		78,000 00	-	-
Balances at end of year				
Secretary of the Treasury special deposit account	23,446 73		17,335 21	
Federal control of transportation systems	3 168 70		8,459 90	
Total balances		26,615 43		25,795 11
Total expenditures and balances		107,835 49		31,938 83

Surety Bonds

The Secretary of the Treasury, under the act of Congress approved August 13, 1894 (28 Stat 279), as amended by the act approved March 23, 1910 (36 Stat 241), issues through the Section of Surety Bonds, Bureau of Accounts, certificates of authority to corporate surety companies to qualify as acceptable sureties on bonds and other obligations in favor of the United States

On June 30, 1948, there were 95 companies holding certificates of authority, qualifying them as sole sureties on recognizances, stipulations, bonds, and undertakings permitted or required by the laws of the United States, to be given with one or more sureties During the year five certificates of authority were issued to companies qualifying them as sole sureties on bonds in favor of the United States There were also 8 companies holding certificates of authority authorizing them to act only as reinsurers on bonds in favor of the United States

The Section of Surety Bonds reviews the financial statements of surety companies authorized to transact business with the United States, determines their underwriting limitations, makes examinations into their financial condition at their home offices, when necessary, and performs other duties to determine whether the companies observe the requirements of Federal law and the regulations of the Secretary of the Treasury issued pursuant thereto

The Section of Surety Bonds has custody of all fidelity bonds in favor of the United States, except those filed with the Post Office Department and the Federal courts, and notifies the accounting officers of the receipt and filing of such bonds It examines and approves as to corporate surety all fidelity and surety bonds with a few exceptions as referred to above

During the year 46,542 bonds and consent agreements cleared through the Section for approval as to corporate surety

Financial Reporting

In accordance with the requirements of title 5, section 264, United States Code, a Combined Statement of Receipts, Expenditures, and Balances of the United States Government is transmitted to the Congress each year, designating the amounts of receipts, whenever practicable, by ports, districts, and States, and the expenditures by each separate head of appropriation This report, which is required to be submitted to the Congress on the first day of the regular session in each year, is also printed for public distribution

Other financial statements, pertaining to the receipts, appropriations, and expenditures of the Government and its various agencies are prepared periodically during the year for inclusion in the daily Treasury statement and the monthly Treasury Bulletin Also, quarterly reports are prepared and submitted to the Congress on war contract terminations and settlements, pursuant to the Contract Settlement Act of 1944 (58 Stat 651, 41 U S C 104)

A summary report is compiled monthly from financial data submitted by the departments and agencies under Budget Treasury Regulation No 1 (Executive Order 8512, as amended) This summary report consists of a series of tables showing the current status of appropriations and contract authorizations available to each agency of the Government during the current fiscal year

Quarterly balance sheets of corporations and certain other business-type activities of the United States Government, and other data relating to the financial condition of such corporations and other business-type activities are compiled from financial data submitted by the corporations and other business-type activities under Budget-Treasury Regulation No 3 (Executive Order 8512, as amended) for inclusion in published reports A statement of guaranteed and contingent liabilities of the United States is also published in the daily Treasury statement on the first day of each month These statements, as of June 30, 1948, will be found as tables 76, 21, and 23

Other Functions

Refunds under Renegotiation Act—The Supplemental Appropriation Act, 1948, approved July 30, 1947, appropriated $7,500,000, from which the Congress authorized transfers amounting to $1,312,000, leaving an available appropriation of $6,188,000 This act authorizes the Secretary of the Treasury to make the refunds as provided by section 403 of the Renegotiation Act, and to refund any amount finally determined to have been collected erroneously by the United States In accordance with the act, refunds are paid by the Secretary of the Treasury on the basis of certificates made by the War Contracts Price Adjustment Board Through June 30, 1948, a total of 259 claims had been paid, aggregating $8,952,941 97

Colorado River Dam fund—The Colorado River Dam fund was established under the act of December 21, 1928 (43 USC 617) The Annual Report of the Secretary of the Treasury for 1946 (p 119)

sets forth the background of the fund Its present status is as follows

Status of Colorado River Dam fund as of close of each operating year, 1933–48

Operating year ended May 31	Charges [1]				Credits		Accumulated balance due at end of each operating year
	Advances	Interest on advances	Interest on amount outstanding	Total	Payment of interest and repayment of advances [2]	Credit on interest charges on amount outstanding	
1933	$11 890 582.62	$101,529 95		$11 992 062 57		-	$11,992,062.57
1934	18,424 397 70	249,674 11	$359 701 88	19 033 833 75			31 025,896 32
1935	23 007,521 44	390 464 48	930,770 89	24,937 762 81			55,963 659 13
1936	19 076 000 81	819,761 45	1,678,909 77	21 974,681 03		-	77,938,340 16
1937	7 410 641 30	147,073 83	2,338 150 21	9,895,805 34			87 834 205 50
1938	5,685,000 00	88 848 90	2,685,026 17	8,408,875 07	$1,100,000 00	$30 221 91	95,112 858 66
1939	5,590 265 49	74,926 12	2 853,385 76	8,518,577 37	4 600,000 00	67,101 35	98 964 334 68
1940	4 050 000 00	67 278 68	2,968 930 04	7 086,208 72	3 500 000 00	56 377 05	102,494 166 35
1941	4 800 000 00	87,875 34	3,074,824 99	7 962,700 33	7 000 000 00	93 780 80	103 363,085 88
1942	3,546 585 02	56 152 98	3 100 892 58	6,703 031 18	2 000 000 00	41 753 42	108 024 963 64
1943	4,700 000 00	99 139 68	3 240 748 91	8,039 888 59	2 000 000 00	10 840 32	114 054 002 91
1944	2 725 000 00	45,625 00	3,421,020 09	6 192 245 00	5 000,000 00	49,057 38	115,197 190 62
1945	1 400 000 00	20 621 92	3 455 015 72	4 870 537 64	[3] 12,500,000 00	35 383 57	107 538 344 69
1946			3,220 150 34	3 226 150 34	[4] 4 256 302 41	46 256 70	106 461 935 92
1947	1 608 982 89	32 019 92	3 103 858 08	4 834 860 89	[5] 4 000 000 00	51,780 82	107,245,015 99
1948	435 003 69	3,619 69	3,217 350 48	3,655 973 86	[6] 4 500 000 00	50,409 83	106,350,580 02
Total	115 849 940 62	1 793,612 05	39,090,301 91	157,339,854 58	50 456 302 41	532,972.15	106 350 580 02

[1] Excludes $25,000 000 of advances allocated to flood control, repayment of which is deferred to June 1, 1987
[2] Repayments deposited are applied first to net interest charge, second to advances
[3] Includes repayment of advances, $6,287 609 35
[4] Includes repayment of advances, $1 076 408 77
[5] Includes overpayment of advances, $825 902 82
[6] Includes overpayment of advances, $1,329,439 66

Government losses in shipment—Prior to July 1937, shipments of money, bullion, securities, documents, and the like, made by Government departments and agencies, were in most instances protected while in course of shipment by insurance provided under contracts with private companies The Government Losses in Shipment Act (50 Stat 479), which became effective July 1, 1937, provided for the establishment of an insurance plan within the Government under which the United States would assume the risks on its shipments of valuables, thereby obviating the necessity of purchasing insurance from private companies to cover such shipments This self-insurance plan has resulted in a substantial monetary saving to the Government The act is administered by the Treasury Department, and the Secretary of the Treasury has prescribed regulations governing the shipment of valuables by Government departments and agencies under coverage of the act Also, the Secretary has declared, in accordance with the provisions of the act, what articles, things, or representatives of value may be considered to be "valuables" within the meaning of that term as used in the act This list of valuables includes items which are of, or similar to, the classes or kinds of articles or things or representatives of value which it had been the practice of the United States before July 1937 to insure, as the insured party, against loss, destruction, or damage in shipment

Under authority of the act a revolving fund was set up in the Treasury from which payments are made for valuables lost, destroyed, or damaged while in course of shipment. The act authorized an initial appropriation of $500,000 to the fund, and it further authorized annual appropriations of $200,000 to be made to the fund, beginning with the fiscal year 1939 and ending with the fiscal year 1948, and from time to time such additional amounts as might be necessary to carry out the provisions of the act. However, to June 30, 1948, only $602,000 had actually been appropriated to the fund. The balance of $91,803.13 in the securities trust fund was transferred to this fund, as provided in the amendment to the act approved August 10, 1939 (53 Stat. 1358), making a total of $693,803.13 available for payment of losses under the act. In addition, all recoveries and repayments effected in connection with the operation of the fund are deposited currently to the credit of the fund and may be used for payment of losses.

Originally the payments which could be made out of the fund were restricted to reimbursement for losses which resulted from the shipment of valuables, however, subsequent legislation has made the fund available for the payment of other types of losses, as follows:

(a) Payments may be made out of the fund for losses arising from the agency functions performed by the Post Office Department for the Treasury, regardless of the manner in which the losses occur, in connection with the sale by post offices throughout the country of United States savings bonds, United States savings stamps, etc. Such losses may occur as a result of a fire, theft, embezzlement, flood, tornado, shipment of securities and funds, burglary or robbery of a post office, and similar contingencies.

(b) The Secretary of the Treasury is authorized by the amendment to the act approved August 10, 1939, to issue agreements of indemnity for the purpose of enabling Government departments and agencies to obtain the replacement of any instrument or document, such as a bank draft, cashier's check, certified check, warehouse receipt, and the like, received by the United States or by any of its agents in their official capacity, which, after having been so received, became lost, destroyed, or mutilated to such an extent as to impair its value. Any losses sustained by the Government in connection with these agreements of indemnity may be charged to the fund.

(c) Under the provisions of section 22 (i) of the Second Liberty Bond Act, as amended by the Public Debt Act of 1943 (Public Law 34) and further amended by the Public Debt Act of 1945 (Public Law 28), several types of financial institutions may qualify as paying agents of United States savings bonds, and the fund is available for the replacement of any losses resulting from payments made in connection with the redemption of such bonds.

(d) Section 6 (e) of the Armed Forces Leave Act of 1946, as amended by Public Law 254, approved July 26, 1947, makes the fund available for the replacement of any losses resulting from payments made in connection with the redemption of armed forces leave bonds.

Section 3 of the Government Losses in Shipment Act, as amended, provides that when the Secretary of the Treasury determines that

replacement of a loss can be made by credit in the account of the Government department or agency presenting the claim, without actual or ultimate injury to the United States, settlement may be made in that manner, therefore, in such a settlement no payment is made out of the fund on account of the loss The Comptroller General of the United States is accordingly notified by the Treasury when a claim is settled in such manner, in order that he may allow credit for the amounts involved in his settlement of accounts of the Government officer concerned

Treasury regulations promulgated pursuant to the Government Losses in Shipment Act, as amended, require Government departments and agencies to render to the Division of Deposits of the Treasury Department monthly consolidated reports of their shipments of valuables made under coverage of the act During the period from July 1, 1937, the effective date of the act, through June 30, 1948, Government departments and agencies reported shipments of valuables in an aggregate amount of $2,703,532,620,859 as having been made under the provisions of the act This amount, however, does not include all the shipments of valuables which have been made under the act as the Secretary of the Treasury has in a few instances waived the requirement of reporting such shipments For example, the Home Owners' Loan Corporation at its request was exempted from the requirement of reporting shipments of valuable loan papers, such as mortgages, mortgage loan dockets, certificates of deposit, checks, assignments, mortgage notes, etc , and as an aid to the successful prosecution of World War II, the officers of the Departments of the Army and Navy were exempted from the requirement of reporting shipments of valuables during that war and for six months thereafter The foregoing total includes shipments amounting to $1,160,291,744,156 of the classes of valuables which were covered by the Treasury's contracts with private companies prior to the enactment of the act It is estimated that the Government saved more than $24,657,000 in insurance premiums on the shipments included in this latter amount This estimation is based on the lowest rates in effect during the fiscal year 1938 under the insurance contract system The remainder of the shipments, namely $1,543,240,876,703, is composed of other classes of valuables which the Government did not, as a general practice, insure prior to July 1, 1937, and consequently these shipments were not included in the calculation of estimated insurance premium savings From the inception of the act through June 30, 1948, the payments made out of the fund on account of losses total $605,602 91, of which amount $135,075 75 has been returned to the fund in the form of recoveries and repayments, leaving a net expenditure of $470,527 16 for losses

The following tables contain information concerning the operations of the revolving fund established pursuant to the Government Losses in Shipment Act and show the Government's experience in its operation of the self-insurance plan

Reported value of shipments made by or for the account of Government departments and agencies under coverage of the Government Losses in Shipment Act, as amended

[In millions of dollars]

Fiscal year	Total shipments	Classification No 1 (currency, coin, bullion, specie)	Classification No 2 (negotiable securities)	Classification No 3 (canceled coupons)	Classification No 4 (all other)
1938	$29 188	$2 339	$4,743	$739	$21 367
1939	30 504	4 069	7 103	820	27,421
1940	41 135	3 810	9 926	868	26 531
1941	81 633	12,620	24 766	873	43,374
1942	107 313	5 900	34 524	945	65 935
1943	276 320	5 735	143 904	1 136	125 454
1944	393 482	8 606	160,534	2 117	222,225
1945	455 318	6 970	194 933	3 171	250 243
1946	433 850	4 788	180 081	3 151	245 860
1947	442,130	4 509	161 321	3 289	273 010
1948	403 652	3 528	155 138	3 176	241 811
	2 703 533	62,854	1 077,153	20,284	1 543 241

NOTE —Figures are rounded to nearest million and will not necessarily add to totals Classifications Nos 1 2, and 3 include classes of valuables which were covered by Treasury s insurance contracts with private companies prior to enactment of the Government Losses in Shipment Act The classes of valuables included in Classification No 4 were not as a general practice insured by the Government prior to effective date of the act

Estimated amounts of insurance premium savings to the Government on shipments of valuables made by or for the account of Government departments and agencies under coverage of the Government Losses in Shipment Act, as amended, calculated on three different bases

On shipments made during the fiscal year	Estimated insurance premium savings calculated on basis of premium rates for—		
	Fiscal year 1938 [1]	Fiscal year 1937 [2]	Fiscal years 1936–38 [3]
1938	$160 000	$200,000	$192,000
1939	456,000	515,000	503,000
1940	504,000	575,000	587,000
1941	798,000	1,145 000	1 008 000
1942	863,000	1,239 000	1 188,000
1943	3,165,000	3,047,000	3 800 000
1944	3 583 000	4,470,000	4,308 000
1945	4,287,000	5 848,000	5,148,000
1946	3,928 000	4 901 000	4 717,000
1947	3 531 000	4 406,000	4 240,000
1948	3 880,000	4 216 000	4,058,000
	24 657 000	30 964,000	29 784,000

NOTE —Figures are rounded and will not necessarily add to totals

[1] Lowest rates under insurance contract system
[2] Rates in effect at time estimates of insurance premium savings were presented to Congress
[3] Average based on rates effective in last three years of Government insurance contract system

Agreements of indemnity issued by the Treasury from August 10, 1939, through June 30, 1948

	Number	Amount
Agreements of indemnity issued through June 30 1947	172	$2 372 371 32
Agreements of indemnity issued during the fiscal year 1948	26	49 459 80
Total agreements of indemnity issued	198	2 [illegible]21 8[illegible] [illegible]2
[illegible]	1[illegible]	1 00[illegible] 791 [illegible]
Agreements of indemnity in force as of June 30 1948	181	1 413 039 13

NOTE —The Government has not sustained any actual monetary loss in connection with these agreements of indemnity.

Number and amount of claims made and settled from August 15, 1937, through June 30, 1948

	Number	Amount
Total claims made through June 30, 1947	1 432	$2,202 318.22
Claims made during the fiscal year 1948		
Processed by the Division of Deposits	180	127 461 05
Processed by the Bureau of the Public Debt	960	301,337 81
Total claims through June 30, 1948	2 587	2 631 616.58
Total claims settled through June 30 1947	1,422	2 193 367 05
Claims settled during the fiscal year 1948		
Processed by the Division of Deposits.		
Approved for payment out of the fund	80	10 371 39
Settled by credit in appropriate accounts	58	102,113 53
Settled without payment or credit	5	840 87
Losses of paid armed forces leave bonds settled outside the provisions of the Government Losses in Shipment Act as amended, through the Bureau of the Public Debt by reducing the outstanding public debt liability and crediting the appropriate accounts	21	10 901 29
Claim for lost paid armed forces leave bonds not lost in shipment, referred to the Bureau of the Public Debt for settlement	1	877 83
Processed by the Bureau of the Public Debt		
Approved for payment out of the fund United States savings bond redemption cases	969	301 837 31
Total claims settled through June 30 1948	2 556	2 620 309 27
Claims unadjusted as of June 30, 1948 [1]	31	11 307 31
	2,587	2 631 616 58

[1] Excludes claims in process of adjustment by Bureau of the Public Debt

Status as of June 30, 1948, of the revolving fund established under authority of the Government Losses in Shipment Act

I Receipts and Expenditures

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Appropriations	$602,000 00	-	$602,000 00
Transferred (Sept 21, 1939) from the securities trust fund	91 803 13	-	91 803 13
Recoveries of payments for losses	30,030 01	$101 121 42	131 151 43
Repayments to the fund	-	3 924 32	3 924 32
Total receipts	723 833 14	105 045 74	828 878.88
Expenditures			
Payments for losses	304,711 57	300 798 77	[1] 605,510 34
Other payments (refunds etc)	64 44	28 13	92.57
Total expenditures	304 776 01	300 826 90	605 602 91
Balance in fund	419 057 13	−195 781 16	223 275 97
	723 833 14	105 045 74	828 878.88

II Fund Assets

	June 30, 1947	Decrease (—) fiscal year 1948	June 30, 1948
Unexpended balances			
To the credit of the disbursing officer	$50 336 41	−$21 211 16	$29 125 25
On the books of the Division of Bookkeeping and Warrants	368 720 72	−174 570 00	194,150 72
Total fund assets	419,057 13	−195 781 16	223 275.97

[1] Includes payments in an approximate total amount of $15 000 to settle losses of stamps (unissued documentary internal revenue stamps and motor vehicle use tax stamps which were completely destroyed, and redeemed United States savings stamps) which do not represent an actual monetary loss to the Government

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Uncurrent checks.—In accordance with the provisions of Public Law 171, approved July 11, 1947, the amounts of checks drawn on the Treasurer of the United States may be paid by him at any time within ten years from the date of issue. After ten years from issue dates, checks other than those issued on account of public debt obligations and transactions regarding the administration of banking and currency laws cannot be paid by the Treasurer of the United States, but the amounts thereof may be paid to parties entitled on the basis of claim settlements by the General Accounting Office. A check drawn on the Treasurer of the United States, which has not been presented for payment prior to the close of the fiscal year next following the fiscal year in which issued, is known as an "uncurrent" check. Its amount is withdrawn from the account of the drawer and deposited in a special deposit account in the name of the Secretary of the Treasury, denominated the uncurrent check account. The uncurrent check account is charged with payments of "uncurrent" checks made by the Treasurer of the United States and payments on claims settlements of the General Accounting Office designated as being payable from such account.

Checks issued on account of public debt obligations and transactions regarding the banking and currency laws are payable as before the enactment of the act of July 11, 1947, without limitation of time.

A statement of transactions in the uncurrent check account during the fiscal year 1948 follows:

	Number of checks	Amount
Deposits	204,945	[1] $29,645,620.74
Withdrawals:		
Payments by Treasurer, U. S.	82,128	8,520,159.60
Payments on settlements by General Accounting Office	21,606	1,285,917.93
Total	103,734	9,806,077.53
Balance June 30, 1948	101,211	19,839,543.21

[1] Includes $22,953,294.20 transferred from outstanding liabilities trust fund, number of checks is not available.

Surplus earnings of Federal Reserve Banks.—As a result of essential operations in connection with Government financing, and operations necessary to meet the needs of business and the public for credit and currency, the earnings of the Federal Reserve Banks in recent years have been high. At the close of 1946 the surplus of each Federal Reserve Bank was equal to its subscribed capital, and in April 1947 the Board of Governors of the Federal Reserve System decided to invoke the authority granted to it under section 16 of the Federal Reserve Act to levy an interest charge on Federal Reserve notes in circulation. The amounts deposited into the Treasury in the fiscal years 1947 and 1948 by the Federal Reserve Banks as interest for this account are set forth in the following table:

Federal Reserve Banks	Deposits	
	Fiscal year 1947 [1]	Fiscal year 1948
Boston	$960 683 70	$6 700 507 33
New York	3,528 210 21	24 286 055 55
Philadelphia	1,134 944 56	7 869 832 86
Cleveland	1 296 184 36	9 575 478.48
Richmond	921,511 00	6,457 451 97
Atlanta	783,626 22	5,215 804 57
Chicago	2,701 961 59	18 278 254 09
St Louis	577,202 93	5 124 016 79
Minneapolis	453 955 27	2 925 636 35
Kansas City	711 308 56	4 910 008 48
Dallas	538 062.85	4 305 735 21
San Francisco	1 661 133 22	9 632 717 19
Total	15 268 883 47	99 781 558 87

[1] Covers period Jan 1 1947 to Mar 31 1947

BUREAU OF INTERNAL REVENUE

The Bureau of Internal Revenue is responsible for the assessment and collection of all taxes imposed by any law providing internal revenue It also has responsibilities under statutes which, while not imposing taxes, relate to internal revenue Among these are the Federal Alcohol Administration Act, the Liquor Enforcement Act of 1936, the Federal Firearms Act, and the Stabilization Act of 1942

Certain of the major functions of the Bureau are described herein A more detailed description will be found in the Annual Report of the Commissioner of Internal Revenue for the fiscal year 1948

Collections

Internal revenue collections for the fiscal year 1948 totaled $41,864,535,791, which was 7 0 percent more than for the preceding year The collections in which the principal increases occurred were individual and corporation income taxes and employment taxes The principal decreases occurred with respect to liquor taxes and retailers' excise taxes

A comparison of collections from the principal sources of tax revenue for the fiscal years 1947 and 1948 follows

Source	Fiscal year 1947	Fiscal year 1948	Percent increase or decrease (−)
	In thousands of dollars		
Income and profits taxes			
Individual (including withheld)	19 348 207	20 997, 781	8. 6
Corporation	[r] 9, 676, 459	10 174, 410	5 1
Total income and profits taxes	[r] 29 019 756	81 172, 191	7 4
Employment taxes	2, 024, 365	2, 381 342	17 6
Estate and gift taxes	779, 291	899 345	15 4
Liquor taxes [2]	2, 474, 756	2, 255 320	−8 9
Tobacco taxes	1 237 768	1 300 280	5 1
Stamp taxes	79 978	79 466	−0 6
Manufacturers' excise taxes	[r] 1 425 260	1, 649 234	15 7
Retailers excise taxes	514, 227	469, 923	−8 6
Other taxes [2]	[1] 1 552 873	1 657 434	6 7
Total collections [2]	89 108, 278	41 864, 536	7 0

[r] Revised

[1] Beginning with 1948 unjust enrichment tax collections are included in Other taxes , data for 1947 have been adjusted accordingly

[2] Excludes collections for credit to trust accounts

Enforcement Activities

During the fiscal year 1948 the strengthening of enforcement operations continued to be a major objective of the Bureau. However, efforts in this direction were hampered by personnel reductions, and the enforcement revenue for the year failed to show the sharp increases which had marked the years 1946 and 1947.

Additional assessments resulting from enforcement operations in 1948 totaled nearly $1.9 billion which represented a slight decrease from the preceding year. Distraint warrant collections continued to increase, however, and reached a total of $280 million for the year. A comparison of the 1948 totals with earlier years is shown below.

Fiscal year	Additional assessments	Distraint warrant collections [1]	Fiscal year	Additional assessments	Distraint warrant collections [1]
	In thousands of dollars			In thousands of dollars	
1942	438,441	62,572	1946	1,280,218	198,731
1943	566,058	73,127	1947	1,928,610	200,455
1944	730,974	84,339	1948	1,897,915	280,184
1945	922,428	166,488			

[1] Distraint warrant collections represent primarily collections of undisputed amounts which taxpayers have failed to pay when due. Occasionally it becomes necessary to collect additional assessments by distraint warrant, but these cases represent only a small portion of the total distraint warrant collections.

Audits and investigations of income and profits tax cases accounted for nearly 89 percent of the additional assessments made in 1948. To a large extent, those assessments were made as the result of errors and omissions discovered in the routine audit of returns. Not counting special fraud investigations, 2,971,113 returns of all kinds—including 2,360,228 individual income tax returns and 218,299 corporation income and profits tax returns—were examined or investigated under procedures involving direct contact, either personal or by correspondence, with taxpayers. The number of returns subjected to these enforcement processes was approximately the same as in the preceding year. Additional tax was assessed in about half of these cases. However, this proportion would not hold true if all returns were investigated, since the examined returns were selected by special procedures designed to segregate the returns most likely to need correction.

There remains a large backlog of cases covering the war years which require prompt examination in order that the Government may recover taxes properly due, before statutory limitations intervene. To this group there have been added many millions of returns relating to the postwar years which, by reason of the continuing high income levels and high tax rates, are productive of substantial amounts of revenue upon audit.

In addition to the foregoing examinations, 3,806 fraud investigations were made, resulting in prosecution recommendations against 1,348 individuals. Numerous investigations were made also under the Federal Alcohol Administration Act and other regulatory statutes. Cash penalties of a civil nature were assessed in many of the cases which did not warrant criminal prosecution.

The increase in the number of persons convicted on tax evasion charges furnishes an additional indication of the effectiveness of enforcement efforts The record of convictions, beginning with the fiscal year 1945, is as follows

Fiscal year	Individuals convicted
1945	65
1946	149
1947	182
1948	315

WORK-LOAD

The work-load of the Bureau in the fiscal year 1948 was slightly greater than in 1947 in both service and enforcement tasks More than half of the Bureau's employees were engaged full time in providing necessary facilities and services for the more than 50 million taxpayers who settle their accounts voluntarily Among the service tasks performed were (1) receipt, control, and filing of more than 200,000,000 tax returns and related documents, (2) assessment of the taxes reported thereon, and accounting for the funds paid in, (3) computation of income tax liability for more than 23 million individuals filing returns on Form W–2, and (4) scheduling of income tax refunds for nearly 31 million individuals whose prepayments exceeded their liabilities

The number of returns of all types awaiting action by the enforcement groups at the beginning of the year was 78,892,062 Returns filed with the Bureau or reopened during the year totaled 88,465,725 (approximately the same number as the preceding year), and the number of returns disposed of was 82,707,318 (a decrease of 16 4 percent from 1947) Thus, there remained a backlog of 84,650,469 returns awaiting action at the close of the year—an increase of 7 3 percent as compared with the number at the beginning of the year All but 345,719 of the returns awaiting action on June 30, 1948, were income or profits tax cases

While these statistics give a broad view of the enforcement workload, it must be understood that tax returns vary widely in the amount of attention they require and that, in fact, many returns are disposed of after only superficial examination In many cases the expenditure of investigative resources would be uneconomical On the other hand, a sizable number of cases, worthy of investigation, cannot be investigated at this time because of the lack of sufficient personnel Thus, of the 82,707,318 returns of all types disposed of during the year, 79,736,205 were disposed of without audit or investigation The remaining 2,971,113 returns were subjected to audit as described in the "Enforcement Activities" section of this report

In addition to the large number of returns which must be processed, the work-load also includes many thousands of claims for adjustments based on section 722 and the various "carry-back" provisions of the Internal Revenue Code While these cases are not nearly so numerous as the returns to be processed, their complexity and importance

necessitate the diversion of a large percentage of the best trained technicians in the Bureau Under the provisions of section 722, which allows relief from excess profits tax for corporations under certain circumstances, there had been filed as of the close of the year more than 51,000 applications for excess profits tax reductions totaling nearly $5 6 billion, of which 25,000 claims totaling $4 5 billion were still pending

"Carry-back" allowances of $471 million were made during the year under the "quick refund" provisions of the Tax Adjustment Act of 1945

Improvements in Organization and Procedures

During 1948 a number of changes in organization and procedures were adopted with a view to promoting efficiency and economy More than 100 improvements were recommended as the result of a critical analysis of the Bureau's organization made by key officials of the field service in October 1946, and nearly all have now been placed in effect To provide more adequate tools for handling the complicated and highly technical administrative problems of the Bureau, steps were taken to expand the Commissioner's management staff The use of punch-card tabulating equipment in the computation of income tax liability on Form W-2 returns was tested in one collection district with favorable results and is to be extended to several other districts in the coming year A work simplification program and a "cash awards for suggestions" program were inaugurated as means for searching out and eliminating nonessential activities Noteworthy economies were achieved through improved procedures, such as (1) the microfilming of records to reduce the space and equipment required for their storage, and (2) the use of preassembled secondary forms in preparing collectors' office records

Personnel

The number of employees on Bureau rolls at the close of the year was 52,143, consisting of 4,662 employees in the departmental service and 47,481 in the field service At the close of the preceding year, the number of persons employed totaled 52,830, comprised of 4,771 departmental employees and 48,059 field employees

A substantial number of trained enforcement officers were dismissed at the beginning of the year as the result of a reduction in the funds appropriated to cover administrative expenditures in 1948, and these forces were further depleted in the course of the year through numerous resignations and retirements

Changes during the year in the personnel employed in the various branches of the Internal Revenue Service are shown in the following table

Summary of personnel, Bureau of Internal Revenue, June 30, 1947 and 1948

Branch of service	Number on pay roll as of—		Increase, or decrease (−)
	June 30 1947	June 30 1948	
Departmental service	4,771	4,062	−109
Field service			
Offices of collectors of internal revenue	30,891	30,692	−199
Supervisors of accounts and collections	77	71	−6
Internal revenue agents' forces			
Income, profits, estate, and gift taxes	9,616	8,398	−1 218
Miscellaneous and sales taxes	86	80	−6
Alcohol Tax Unit			
Offices of district supervisors	4,773	4,054	−719
Field inspection force	13	14	1
Intelligence Unit	1 351	1,286	−65
Technical Staff	532	528	−4
Excess Profits Tax Council	71	84	13
Office of the Chief Counsel	356	370	14
Salary Stabilization Unit	15		−15
Processing Division	278	1,904	1 620
Total field service	48,059	47,481	−578
Grand total	52,830	52,148	−687

Investigations by Congressional Committees

Early in the fiscal year 1948, the Joint Committee on Internal Revenue Taxation made a study of the enforcement of the internal revenue laws with a view to ascertaining the number of deputy collectors, revenue agents, and other personnel, who should be employed by the Bureau of Internal Revenue in order to insure the maximum net return from taxes imposed by such laws This investigation was authorized in the Treasury and Post Office Departments Appropriation Act for 1948

The Appropriations Committee of the House of Representatives, under authority of section 202 (b) of the Legislative Reorganization Act of 1946, also made a complete investigation into the affairs of the Bureau in the early part of the year

The investigators, in reports to the respective committees, set forth their findings and made recommendations covering many phases of the Bureau's operations, including suggestions for strengthening the central administrative organization and for increasing the over-all enforcement activities Comments on the proposals were furnished by Treasury officials indicating the areas where specific changes are feasible and the points on which further study is believed necessary The reports were considered in connection with the appropriation of funds for 1949 and, on the basis of the investigators' findings, the Bureau's appropriation was increased by $5,584,000 for the purpose of strengthening enforcement operations

Cost of Administration

The entire cost of the Bureau's operations during the year, including salaries, equipment, travel, supplies, etc , but exclusive of amounts refunded to taxpayers, was $183,731,060 The amount appropriated for this purpose was $188,000,000, thus, there was an unexpended

balance of $4,268,940 The cost of collecting $41,864,536,000 during the year was approximately 44 cents per $100 of revenue, compared with 52 cents per $100 in the previous year, when collections were smaller and expenditures were higher

Data on the annual cost of administration, although of interest and value for certain purposes, can not be relied upon either as a guide to the proper scale of administrative activity or as a measure of relative efficiency of operation from year to year An annual ratio of cost to collections is determined by many factors, most of which have no relationship to these objectives To illustrate, one such factor is the nature of the tax system The higher the level of tax rates and the more numerous the levies that are inherently economical to collect the lower will be the average cost ratio Another factor is the prevailing level of salaries paid to Bureau personnel A third factor is the volume of essential services performed for taxpayers, such as computation of tax liability, and the volume of investigative activity required with respect to refund claims, both of which have expanded markedly during recent years

Refunds

Refunds of internal revenue taxes and the interest thereon, as required by law, are paid out of an appropriation separate from that covering the Bureau's administrative expenses The total amount of these payments for the fiscal year 1948 was $2,297,542,291 as compared with $2,882,735,904 in the preceding year The decrease was due principally to a reduction in the amount of income and profits tax refunds resulting from carry-backs and from the respread of amortization Interest payments on refunds increased from $49,605,704 in 1947 to $56,530,924 in 1948

Settlement of Disputes

In a large proportion of the tax disputes arising from the Bureau's investigative operations, settlements are reached through conferences with taxpayers, thereby avoiding expensive and time-consuming litigation Of 57,748 income, profits, estate, and gift tax returns in which taxpayers had protested the examiners' findings, 51,231 were settled by the Bureau and 6,517 were appealed to the Tax Court As a result of further hearings conducted by the Bureau in cases pending before the Tax Court, an additional 4,216 returns were settled by stipulation, thereby reducing substantially the number of cases to be tried

OFFICE OF INTERNATIONAL FINANCE

The Office of International Finance was established by order of the Secretary of the Treasury effective July 15, 1947 (see exhibit 43, Order No 86) The functions, duties, and personnel of the former Division of Monetary Research in the Office of the Secretary of the Treasury, and Foreign Funds Control, were transferred to the new Office

The Director of the Office advises and assists the Secretary of the Treasury in the formulation and execution of policies and programs in international financial and monetary matters The Director is

assisted by a Deputy Director, advisers on financial policy, and a staff organized into divisions corresponding to geographic areas or to the functional activities of the Office These divisions are National Advisory Council Secretariat, Stabilization Fund, Gold and Silver Division, International Statistics Division, Commercial Policy and United Nations Division, European Division, British Commonwealth and Middle East Division, Latin American Division, and Far Eastern Division The Office also maintains Treasury representatives in several foreign countries

By direction of the Secretary, the Office of International Finance is responsible for the Treasury's activities in matters of international financial and monetary policy and programs Among these are international monetary and exchange problems, including gold and silver policy, the Bretton Woods Agreements Act and the operations of the International Monetary Fund and the International Bank for Reconstruction and Development, foreign lending and assistance programs, the activities of the National Advisory Council on International Monetary and Financial Problems, the Anglo-American Financial Agreement, and the United States Exchange Stabilization Fund

The Office makes continuing studies of the flow of capital funds into and out of the United States and of the international accounts of foreign countries with special attention to transactions in gold and dollars In carrying out its functions, the Office also studies the legislation and policy of foreign countries relating to finance, gold and silver, exchange rates and exchange controls, and other relevant matters

The Office also provides economic analyses of the customs activities of the Department and advises the Secretary in matters pertaining to his responsibilities under the Tariff Act The Office acts for the Treasury on the financial aspects of international treaties, agreements, and organizations in which the United States participates It also participates in negotiations with foreign governments with regard to matters included within its responsibilities

The Office of International Finance represents the Treasury in the work of the National Advisory Council on International Monetary and Financial Problems (of which the Secretary of the Treasury is Chairman) and its subordinate organs The Deputy Director of the Office is the Secretary of the National Advisory Council and Chairman of its Staff Committee Professional personnel of the Office perform staff and secretariat functions of the Council (See exhibits 18, 19, and 20)

The Office of International Finance advises Treasury officials and other departments and agencies of the Government concerning exchange rates and other financial problems encountered in operations involving foreign currencies In particular, it advises the State Department and the National Military Establishment in financial matters related to their normal operations in foreign countries and the special financial problems arising from military operations and in areas occupied by United States forces The Treasury representatives in foreign countries act as financial advisers to the diplomatic missions and to the missions of the Economic Cooperation Administration in those countries

Foreign Funds Control

Under section 5(b) of the Trading with the Enemy Act, as amended, and Executive Orders 8389, as amended, and 9193, as amended, the Treasury Department, through Foreign Funds Control, formulates and administers controls over foreign-owned property and regulates certain international financial transactions

Over 15,000 applications for licenses to effect transactions otherwise prohibited by the act and Executive orders were reviewed during the fiscal year 1948 by Foreign Funds Control and the Federal Reserve Bank of New York acting as field agent This is to be compared with some 54,000 applications reviewed during the preceding year

During the current fiscal year Foreign Funds Control neared the completion of its liquidation The Washington staff was reduced from a total of 53 as of June 30, 1947, to 15 as of June 30, 1948 Field operations for Foreign Funds Control during this period were carried out by the Federal Reserve Bank of New York

A further discussion of Foreign Funds Control activities during the fiscal year will be found on page 47 of this report

LEGAL DIVISION

The General Counsel is by statute the chief law officer of the Department and is directly responsible to the Secretary of the Treasury for the work of the Legal Division He performs such duties in respect to the legal activities as may be assigned to him by the Secretary from time to time, or are required by law

The functions of the General Counsel include supervision and coordination of the work done by the bureaus which have their own legal staffs, such as the Bureaus of Internal Revenue, Customs, Federal Supply, Public Debt, Narcotics, and Comptroller of the Currency, Office of International Finance, and United States Coast Guard In addition, the Office of the General Counsel performs the legal services required by the Secretary and his immediate Office, Office of Administrative Services, Office of the Technical Staff, Bureau of Engraving and Printing, Bureau of the Mint, United States Secret Service, Bureau of Accounts, Office of the Treasurer of the United States, United States Savings Bonds Division, and Committee on Practice The General Counsel is also charged with the functions of the Secretary of the Treasury under the Contract Settlement Act

The activities of the Legal Division embrace all legal questions arising in connection with the administration of the duties and functions of the various bureaus, divisions, and other branches of the Department These activities also include consideration of legal problems relating to broad financial, economic, and social programs and problems with respect to international cooperation in the monetary and financial fields A more complete description of the scope of the activities of the Legal Division is to be found in the various administrative reports of bureaus and divisions of the Department contained elsewhere in this report

In addition, the legal staff in the Office of the General Counsel handles legal matters relating to legislation, including the drafting of legislation and preparation of reports to committees of Congress and the Bureau of the Budget, appears before congressional committees, prepares and reviews Executive orders and proclamations and departmental rules and regulations, prepares formal and informal opinions and memoranda for the guidance of the administrative officers of the Department, drafts or approves contracts and amendments to contracts, performs legal work arising in connection with Treasury participation in the activities of the National Advisory Council on International Monetary and Financial Problems which coordinates the foreign financial and lending operations of the United States Government, including the policies and operations of the United States representatives on the International Monetary Fund and the International Bank for Reconstruction and Development, handles legal problems pertaining to gold and silver transactions and the administration of the stabilization fund, conducts the legal work in connection with railroad securities held by the Secretary of the Treasury pursuant to loans under the Transportation Act of 1920, performs the necessary pretrial work in litigation involving Treasury activities and conducts litigation before the Tax Court of the United States, coordinates all aspects of the settlement of tort claims pursuant to the Federal Tort Claims Act, passes upon legal questions arising in the payment of Mexican claims and payments to holders of awards of the Mixed Claims Commission, makes recommendations to the Secretary in matters relating to compromise settlement of general claims of the United States, performs the legal work in connection with licensing and disbarment of practitioners before the Treasury Department and of customhouse brokers, handles all legal work in connection with the Treasury Loyalty Board, which was set up to administer the loyalty program outlined in Executive Order No 9835, dated March 22, 1947, and supervises legal matters relative to inventions and patent rights of Treasury employees, to claims of Treasury employees for personal losses sustained in connection with assignments abroad, and to disclosure of official information

During the fiscal year 1948, among the many special legal problems handled by the Legal Division were those relating to the collection of the revenues and related problems, the issuance of public debt obligations, legal work in connection with the President's anti-inflation program, the study and preparation of recommendations relating to the financing and the inflationary aspects of proposed housing legislation, legal aspects of problems arising in connection with the National Security Resources Board, of which the Secretary of the Treasury is a member, legal work in the development of the internal security program of the National Security Council, the drafting of legislation to bring about the proposed transfer of the Bureau of Federal Supply to the Federal Works Agency as recommended by the President in his message of March 5, 1948, the liquidation of the residual affairs of various war agencies, the settlement of terminated war contracts and claims arising therefrom, claims under section 17 of the Contract

Settlement Act of 1944 (defective, informal, and quasi contracts), the determination of renegotiation rebates, the legal aspects of stockpiling of strategic materials pursuant to Public Law 520, Seventy-ninth Congress, termination and repeal of statutes granting emergency and wartime powers, hearings involving public utility rates and other proceedings resulting in considerable savings to the United States, drafting of financial, fiscal, and foreign exchange aspects of the legislation to carry out the European Recovery Program and assistance with other legal problems arising in connection with the program, interpretation of the Financial Agreement with the United Kingdom and handling other legal questions relating to the carrying out of that agreement, amendment of the Gold Regulations to control United States participation in international gold transactions at premium prices, advising on legal aspects of financial and monetary problems arising in foreign areas occupied by United States forces, participation in drafting and negotiation of the charter of the International Trade Organization

The General Counsel also has supervision over the Tax Legislative Counsel, who advises the Secretary of the Treasury on technical and legal aspects of tax policy and tax legislation The Tax Legislative Counsel represents the Department before the committees of Congress with respect to the technical aspects of tax legislation, assists the legislative counsels of the House of Representatives and the Senate in the drafting of revenue measures and of committee reports thereon, prepares reports on bills relating to revenue for the committees of Congress and the Bureau of the Budget, aids in the negotiation of treaties for the prevention of international double taxation and for administrative cooperation, treaties on friendship, commerce and navigation, and consular conventions, advises the United States delegate to the United Nations Fiscal Commission regarding international tax problems, receives and studies proposals from the general public, members of Congress, and interested members of the tax bar for amending the tax laws, as well as suggestions from the Bureau of Internal Revenue for the improvement of tax administration, reviews all proposed closing agreements and compromises with taxpayers, participates in the periodic revision of forms necessary to the administration of the revenue laws, and reviews Treasury decisions amending existing regulations on internal revenue taxation, where circumstances require a revision or the establishment of new regulations for the interpretation of new legislation

During the fiscal year 1948, the Office of Tax Legislative Counsel, in cooperation with the Staff of the Joint Committee on Internal Revenue Taxation and the legislative counsels of the House and Senate, rendered technical assistance to congressional committees on the Revenue Act of 1948, which introduced the "income splitting" and "marital deduction" concepts into the income and estate tax laws, respectively, assisted the Congress and advised the Secretary concerning the general revenue revision bill dealing with some 80 separate items, legislation relating to the social security and railroad retirement programs, and a number of miscellaneous revenue bills,

and assisted in the negotiation of tax conventions with the Governments of France, Belgium, the Netherlands, New Zealand, Mexico, Union of South Africa, and Venezuela

BUREAU OF THE MINT

The principal functions of the Bureau of the Mint consist of the manufacture of domestic and foreign coins, the acquisition of gold and silver, payments for which are made on the basis of mint assays, the safeguarding of the Government's holdings of the monetary metals, including coins in processing stages until finished and issued, the refining of gold and silver, the issuance of Treasury licenses for the acquisition, ownership, possession, and use of gold for industrial, professional, and artistic purposes, and the production of medals and other decorations

The Office of the Director of the Mint in Washington administers all activities of the Bureau of the Mint During the fiscal year 1948 seven field institutions were in operation Coinage mints in Philadelphia, San Francisco, and Denver, assay offices at New York City and Seattle, gold bullion depository at Fort Knox, Ky , and silver bullion depository in West Point, N Y , which operates as an adjunct of the New York Assay Office Electrolytic refineries are maintained in San Francisco, Denver, and New York City The Medal Department is located in Philadelphia At the close of the fiscal year 1948 the personnel of the departmental and field institutions totaled 1,283 compared with 1,783 at the beginning of the year

The operations of the field institutions during the fiscal year 1948, and the report of this Bureau upon the production and consumption of gold and silver in the United States for the calendar year 1947, are summarized herein Further detailed information is contained in the Annual Report of the Director of the Mint for the fiscal year 1948

Operations of the Mints, Assay Offices, and Bullion Depositories

Domestic coinage—Production of United States coins during the fiscal year 1948 is shown in the following statement

Denomination	Number of pieces produced	Face value
Half dollars	[1] 7,388,066	$3,694 333
Quarter dollers	50 222 400	12,555 600
Dimes	144,774 000	14 477,400
5-cent pieces	124,252,000	6 212,600
1-cent pieces	476,285,000	4 762 850
Total	802 922 066	41 702 783

[1] Includes 360 066 Booker T Washington commemorative half dollars

Foreign coinage.—Coins produced for other governments during the fiscal year were as follows

Government	Number of pieces produced
Dominican Republic	3,000,000
Ecuador	13,821,000
El Salvador	8,000,000
Ethiopia	14,127,367
Philippines	300,000
Saudi Arabia	5,000,000
Syria	7,000,000
Total	51,248,367

Issue of United States coins.—The number and value of United States coins issued by the mints during the fiscal year were as follows

Denomination	Number of pieces issued	Face value
Silver dollars	7,235,412	$7,235,412.00
Half dollars	13,040,693	6,520,346.50
Quarter dollars	54,148,230	13,537,059.00
Dimes	198,096,672	19,809,667.20
5-cent pieces	152,966,202	7,648,310.10
1 cent pieces	676,689,502	6,766,895.02
Total	1,102,176,717	61,517,689.82

Stock of coins.—The stock of coins in the United States as of June 30, 1948, is estimated at $1,804,904,867, comprising standard silver dollars in the amount of $493,100,146, subsidiary silver coins, $952,-298,876, and minor coins, $359,505,845

Medals.—The output of service medals and other distinguishing devices for the United States Navy, Marine Corps, Coast Guard, Maritime Commission, and other Government departments amounted to approximately 8,000,000 pieces during the fiscal year. In addition, there were 438 private medals made and 5,677 commemorative medals sold to the public from regular stock

Bullion deposit transactions.—Bullion deposit transactions at the mints and assay offices during the fiscal year 1948 totaled 11,209, including 42 intermint transfers. These transactions required 23,396 assay determinations, including 970 determinations for the intermint transfers

Acquisitions of gold.—Receipts of gold during the fiscal year are summarized as follows

	Value
Purchases at $20.67+ per ounce	$5,180
Increment to $35 per ounce	3,346
Purchases at $35 per ounce	3,234,618,173
Domestic coin transferred (melted)	147,320
Intermint transfers	20,852,393
Total value at $35 per ounce	3,255,626,412

Acquisitions of silver —During the fiscal year receipts of silver aggregated 129,203,527 fine ounces with the following classification

Class of bullion	Number of fine ounces received
Newly mined domestic silver	
Purchases at $0 7111+ per ounce	40 059
Purchases at $0 905 per ounce	33 443 740
Silver contained in gold deposits, etc	304, 231
Silver received in exchange for Government stamped bars	315 921
Recoinage bullion from uncurrent subsidiary coin	1, 852, 050
Recoinage bullion from uncurrent silver dollars	271 124
Intermint transfers of silver	154 323
Deposits of silver in trust by foreign governments	8 422 430
Redeposits [1]	84, 188 304
Return of lend lease silver	261, 333
Grand total	129 203, 527

[1] Consists of Treasury stock previously on loan to Office of Defense Plants of Reconstruction Finance Corporation, etc

Refinery production of gold and silver —During the fiscal year 1948 the refineries produced 2,629,403 fine ounces of gold and 1,999,351 fine ounces of silver by the electrolytic process In addition, 2,228,465 fine ounces of gold and 59,113 fine ounces of silver were subject to fire process only

Issue bars manufactured —During the year, 170,711 issue bars containing 59,863,942 fine ounces of gold and 964 issue bars containing 229,692 fine ounces of silver were manufactured at the mint institutions

Stock of unrefined bullion —At the close of the fiscal year the stock of unrefined bullion, in terms of the assayed fine gold and silver content, amounted to 1,488 tons

Monetization of silver bullion —Silver certificates in the amount of $31,159,596 were issued by the Treasury against 24,100,000 fine ounces of silver bullion valued at $1 29+ per fine ounce, the statutory monetary value of silver The difference between the cost and the monetary value of the silver was $9,521,010, which constituted seigniorage

Sales of gold and silver for industrial use —Sales of gold bars to licensed purchasers for use in industry and the arts totaled $50,371,332 during the fiscal year 1948 Sales of silver under the act of July 31, 1946, amounted to 1,728 fine ounces

Stock of monetary bullion —The total United States stock of gold bullion in custody of mint institutions was valued at $23,532,345,730 and the stock of silver bullion totaled 963,375,836 fine ounces on June 30, 1948 The Office of Defense Plants of the Reconstruction Finance Corporation, etc , held 728,333,460 fine ounces of Treasury silver on the same date

Production and Consumption of Gold and Silver in the United States

Production of gold and silver refined from ores mined in the United States and Alaska during the calendar year 1947 was as follows

Gold, 2,165,318 fine ounces with a value of $75,786,130, and silver, 38,587,069 fine ounces Distribution of production by State of origin appears in the annual Mint report for the fiscal year 1948

Gold issued for use in the industrial arts in the United States during the calendar year 1947 aggregated $98,129,578, with a return from industrial use of old jewelry, plate, scrap, etc, amounting to $49,229,578, giving a net consumption of new gold amounting to $48,900,000

Silver issued for use in arts and industry in the United States during the calendar year 1947 aggregated 126,366,359 fine ounces, with a return from industrial use of old silverware, scrap, etc, amounting to 27,866,359 fine ounces, giving a net consumption of new silver amounting to 98,500,000 fine ounces

BUREAU OF NARCOTICS [1]

The Bureau of Narcotics is charged with the investigation, detection, and prevention of violations of the Federal narcotic and marihuana laws and of the Opium Poppy Control Act of 1942, and related statutes It issues permits for importation of the crude narcotic drugs and for exportation and in-transit movements of narcotic drugs and preparations, and has authority to issue licenses, under certain conditions, for the production of opium poppies and manufacture of opium products therefrom It cooperates with the Department of State in the discharge of the international obligations of the United States concerning the traffic in narcotic drugs and with the several States in the suppression of the abuse of narcotic drugs and marihuana in their respective jurisdictions

During the fiscal year 1948 the Bureau of Narcotics directed its activities toward the suppression of the illicit traffic in narcotic drugs and marihuana and the control of the legitimate manufacture and distribution of narcotics through the customary channels of trade The total quantity of narcotic drugs seized in the internal illicit traffic amounted to 844 ounces in comparison with 1,200 ounces seized in 1947 Seizures of marihuana amounted to 964 pounds bulk, 13 pounds seeds, 14,140 cigarettes, and 800 growing plants as compared with 700 pounds bulk, 7 pounds seeds, 10,011 cigarettes, and 845 growing plants in 1947

The table following shows for the fiscal year the number of violations of the narcotic and marihuana laws by persons registered with collectors of internal revenue to engage in legitimate narcotic and marihuana activities and by persons who have not qualified by registration to engage in such activities, as reported by Federal narcotic enforcement officers

[1] Further information concerning narcotic drugs is available in separate report of the Commissioner of Narcotics

Number of violations of the narcotic and marihuana laws reported during the fiscal year 1948, with their dispositions and the penalties

	Narcotic laws								Marihuana law			
	Registered persons				Nonregistered persons				Nonregistered persons			
	Federal court		State court		Federal court		State court		Federal court		State court	
Pending July 1 1947	324				1 082				333			
Reported during 1948												
Federal [1]	467				1,484				475			
Joint [1]	17				519				510			
Total to be disposed of	808				3 085				1 318			
Convicted												
Federal	52		11		801		308		307		42	
Joint	8		3		183		194		305		8	
Acquitted												
Federal	3				26		10		15		7	
Joint			1		10		14		21		4	
Dropped												
Federal	176		1		401		45		112		7	
Joint	10		2		71		46		01		28	
Compromised [2]												
Federal	76											
Joint	4											
Total disposed of	347				2 109				995			
Pending June 30 1948	401				976				323			
	Years	Months	Years	Months	Years	Months	Years	Months	Years	Months	Years	Months
Sentences imposed												
Federal	78	11	13	7	1 879	3	254	10	463	11	59	6
Joint	21	0	2	7	364	2	253	3	434	8	77	5
Total	100	5	10	2	1,743	5	508	1	898	7	136	11
Fines imposed												
Federal	$29 550		$39		$17 096		$2,045		$2 566		$500	
Joint	9 000		100		5 017		4,144		3 366		1,231	
Total	88,550		139		22 113		6,139		5,932		1,731	

[1] Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation

[2] Represents 80 cases which were compromised in the sum of $14,279

The importation, manufacture, and distribution of opium and its derivatives, as heretofore, were subject to a system of quotas and allocations designed to secure their proper distribution for medical needs Additional quantities of opium were imported during the year Coca leaf imports were sufficient for medicinal purposes, and additional supplies were available for the manufacture of nonnarcotic flavoring extracts

Exports of narcotic drugs increased as compared with 1947, and remained considerably above the prewar level Manufacture of opium derivatives continued high to meet export requirements and the increased medical use of codeine

The number of thefts and quantities of narcotics stolen dropped

somewhat below the 1946 level and were about one-half of the 1947 figures

Registrations under the narcotic and marihuana laws during the year are shown by classes in the following table

Registrations under the Federal narcotic and marihuana laws, Jan 1, 1948

	Narcotic law	Marihuana law
Importers, manufacturers, producers, and compounders	148	
Importers, manufacturers, and compounders		8
Producers (growers)		530
Dealers		104
Wholesale	1 189	
Retail	47 848	
Practitioners	185 081	336
Dealers in and manufacturers of untaxed preparations	[1] 167 123	87
Users for purposes of research, instruction or analysis	154	
Total	402 443	1 065

[1] Includes registrations for which payment of occupational tax is not required under law, because also registered in some other class

COMMITTEE ON PRACTICE

The Committee on Practice receives and acts upon applications of attorneys and agents for admission to practice before the Treasury Department It makes inquiries, holds hearings, and in general acts as the administrative and advisory agency in all matters pertaining to practice, makes recommendations to the Secretary of the Treasury, and performs other duties prescribed by Department Circular 230, revised May 27, 1947

The Committee also receives and acts upon applications of individuals, corporations, associations, and partnerships for customhouse brokers' licenses, issues customhouse brokers' licenses, makes recommendations to the Secretary of the Treasury, and performs other duties as prescribed by Department Circular 559, revised May 1, 1947

The following statement summarizes the work of the Committee for the fiscal year 1948

	Number
Attorneys and agents	
Applications for enrollment approved	5, 599
Applications for enrollment disapproved	17
Applications withdrawn on advice of Committee	80
Complaints disposed of pursuant to section 5–B of the Administrative Procedure Act	
Resignations submitted, in order to evade proceedings in disbarment, and accepted by the Committee, names ordered stricken from the roll	18
Formal complaints against enrolled persons	
Pending July 1, 1947	8
Filed during the year	0
Pending June 30, 1948	8
Customhouse brokers	
Applications for licenses approved	97
Applications withdrawn	17
Licenses canceled	22

Since the organization in 1921 of the Committee on Practice, 82,360 applications for enrollment have been approved and 818 disapproved, 256 practitioners have been disbarred from further practice before the Treasury Department, 140 have been suspended from practice for various periods, 184 have been reprimanded, and 18 resignations have been accepted

DIVISION OF TAX RESEARCH

The Division of Tax Research assembles the facts and prepares the economic, statistical, and technical analyses needed (1) to aid the Secretary in the formulation of Treasury tax policy, and (2) to provide information on various tax matters, as requested, for the President, Members of Congress, various Government officials, and the public The Division provides, on behalf of the Secretary, material to aid the Ways and Means Committee of the House of Representatives, the Finance Committee of the Senate, and the Joint Committee on Internal Revenue Taxation in their consideration of tax proposals and legislation In its work, the Division consults with the Bureau of Internal Revenue on administrative matters and with the Office of the Tax Legislative Counsel on legal matters

The Division's functions include the preparation of basic surveys of the tax problems of the Federal Government, the devising of alternative methods of meeting revenue requirements, and the development of methods of adjusting the tax system to changing economic conditions The tax system is analyzed with a view to obtaining revenue yields large enough to meet prospective revenue requirements and to making adjustments which will be fair to taxpayers and will avoid undesirable economic effects Individual taxes are studied (1) to determine their effects on particular groups of taxpayers, (2) to avoid inequity among taxpayers within a given group, (3) to ascertain and develop methods of meeting administrative and compliance problems, and (4) to devise ways of integrating particular taxes with the tax system as a whole These studies require economic analyses of the effects of each tax, technical analyses of the more complicated problems inherent in various tax measures, and statistical analyses of the distribution of the burden of specific taxes, the total Federal tax load, and the combined Federal, State, and local burden

The interrelationships of Federal, State, and local taxes are studied with a view to possible improvements in intergovernmental fiscal relations Specific State and local taxes are also examined to determine the combined effect of such taxes and Federal taxes and to assure the Federal Government of the benefit of State and local tax experience Likewise, to gain the benefit of foreign experience and to compare policies, studies are made of foreign taxes

The Division is also charged with general responsibility respecting the assembling and publication of statistics pertaining to Federal taxation Correspondence relating to matters of taxation not involving legal questions is handled by the Division The Division also participates in conferences with taxpayers who call special problems to the attention of the Treasury Department

During the fiscal year 1948 the Division continued to work primarily on the problems of Federal tax revision The Division prepared

factual material and analyzed various proposals for tax revision which were considered by the Congress Studies of a number of major tax items were carried on in the fields of business taxes, individual income taxes, excise taxes, estate and gift taxes, and social security taxes (For a list of the major tax studies released, see exhibit 36)

OFFICE OF THE TECHNICAL STAFF

The Office of the Technical Staff in the Office of the Secretary serves as a technical staff for policy-forming officials of the Department on matters relating to Treasury financing, public debt management, and various general economic problems arising in connection with Treasury activities

For the use of the Secretary in making his financing decisions and in formulating debt management policies, a variety of analyses is prepared The Office draws up alternative plans in detail for each financing operation It analyzes the results of the operation in order to gauge its effectiveness and secure guidance for future planning Estimates of the income and savings position of different classes of investors are prepared, together with information on the amounts of the outstanding public debt already held by these investors The Office analyzes the relative desirability of cash pay-offs to and additional borrowing from each class, and the type of security best suited to the requirements of each class The outlook for financing requirements during an appropriate period ahead is reviewed and various financing programs which would take care of these requirements are suggested The Office recommends terms for the particular securities which might be offered, covering such characteristics as rate of interest, maturity, call period, negotiability, eligibility as collateral, redemption privileges accorded to holders, and restrictions as to the amount of purchases or holdings by different classes of investors It analyzes the relation of these securities to the maturity schedule and interest costs of the public debt, the effect of their issuance upon the market prices and ownership distribution of outstanding Government securities, the impact of the Treasury's public debt operations on the credit structure and general economy of the country, and the long-range effects on the economy of present financing decisions

In connection with its work in Treasury financing, the Office is charged with the duty of keeping policy-forming officials of the Department posted on the outlook for Federal receipts In addition, the facilities of the Staff are utilized by the Secretary for the preparation of official estimates of Government receipts for incorporation in the President's Annual Budget Message and in intervening budget revisions Similarly, estimates of the revenue effects of proposed and pending legislation are prepared, these are requested both by Treasury officials and by committees of Congress

Technical mathematical analyses needed in connection with financing and public debt problems are also prepared This work is under the supervision of the Government Actuary, who is an Assistant Director of the Office of the Technical Staff He is responsible for reports on actuarial matters involved in Treasury operations, and prepares actuarial estimates required by statute with respect to the operations of several Government trust funds The Secretary of the

Treasury is charged with the duty of handling the investments and other operations for most of these funds

The Office of the Technical Staff was established by Treasury Department Order No 92, dated September 23, 1947, superseding the Division of Research and Statistics which was abolished

UNITED STATES COAST GUARD

The functions of the Coast Guard embrace, in general terms, maritime law enforcement, saving life and property, providing navigational aids to maritime commerce and to air commerce over the ocean, promoting the efficiency and safety of the American merchant marine, and military readiness

The integration of the personnel of the former Bureau of Marine Inspection and Navigation into the regular military organization was effected pursuant to the act of Congress approved July 23, 1947 (Public Law 219), and the Service thus had a single unified organization to carry forward the correlated duties which prior to 1939 were divided among three different Federal agencies—the Coast Guard, Lighthouse Service, and Bureau of Marine Inspection and Navigation

Limited appropriations made it necessary to reduce complements aboard ships and stations, to deactivate a number of vessels, and to defer some construction projects Moreover, the Service was unable to proceed with a widening field of postwar duties particularly in the fields of ocean weather observations, search and rescue coverage, and navigational aids to maritime commerce and air commerce over the ocean

Pursuant to a provision contained in the Second Supplemental Appropriation Act, 1948, an outside agency designated by the Secretary of the Treasury and Chairmen of the Committees on Appropriations of the House of Representatives and Senate made a comprehensive study of the administrative management, and fiscal policies and affairs of the Coast Guard The report of this agency was submitted to the House and Senate Appropriations Committees in January 1948 The report contained numerous recommendations ranging from minor suggestions to proposals involving major programs Each recommendation has been or is being thoroughly explored by the Coast Guard The report also served as an impartial viewpoint on the needs of the Service for additional legislation and additional appropriations for adequate and efficient conduct of Service duties, and was considered by the congressional appropriation committees in acting upon the 1949 Coast Guard budget

Safety at Sea Conference

Culminating three years of work by the Commandant of the Coast Guard undertaken on behalf of the State Department, and assisted by committees representing interested Government agencies and the maritime industry, many proposals of the United States Government for revision of the 1929 International Convention for the Safety of Life at Sea were adopted at the Conference convened in London, England, on April 23, 1948 The Commandant was appointed by the President as Chairman of the United States group which comprised two delegates, 33 advisers, and seven technical experts The

new revised Convention, to which the principal maritime nations of the world are parties, embodies safety standards markedly in advance of those contained in the 1929 Convention for vessels of the United States and other maritime nations

Assistance Operations

The assistance rendered by Coast Guard stations, vessels, and aircraft during the year is reflected in the following statistics

Number of instances of major assistance	5, 923
Value of vessels assisted	$157, 430, 859
Value of cargoes of vessels assisted	$12, 555, 679
Lives saved or persons rescued from peril	5, 399
Number of instances of minor assistance	4, 152

The term "major assistance' includes the rescue of persons from water or from drifting ice, the removal of persons from endangered vessels, the towing to safety of vessels on which personnel are endangered, and, during floods, the removal of persons to safety when danger of drowning threatens When Coast Guard aircraft are employed, "major assistance" includes open-sea landings and take-offs under abnormally hazardous conditions

Outstanding among the assistance operations of the Coast Guard was the rescue by the cutter *Bibb* on October 14–15, 1947, of 68 passengers and crew from the American flying boat *Bermuda Sky Queen* This airplane, en route from Ireland to Newfoundland, ran out of fuel and was unable to reach Newfoundland The plane reversed its direction, returned to the position of the *Bibb* which was occupying an ocean weather station, and made an emergency landing in the open sea Rescue operations by means of small boats and rafts were successfully carried on for many hours under difficult conditions

In collaboration with other governmental agencies, the Red Cross, and local authorities, the Coast Guard rendered extensive assistance in evacuating citizens and salvaging property during the floods which occurred in the valleys of the Mississippi, Ohio, and Columbia Rivers

At the beginning and close of the navigation season considerable assistance was furnished to marine commerce on the Great Lakes in the breaking of ice for the passage of vessels The Coast Guard icebreaker *Mackinaw*, in company with the cutter *Acacia*, opened a passage for 12 ice-locked ships at Buffalo on March 17–18, 1948, and assisted them to the westward This was the earliest known date in over 50 years for the movement of shipping from Buffalo Three additional cutters, together with a helicopter attached to the *Mackinaw*, continued icebreaking activities in Great Lakes harbors and through the Straits of Mackinac

International Ice Patrol

The International Ice Patrol for the season of 1947 which was in progress at the beginning of the fiscal year was discontinued on July 23, 1947

Aerial ice observation flights were inaugurated in February 1948

by planes based at Argentia, Newfoundland On April 26, the Ice Patrol for the season of 1948 was established, utilizing two surface vessels augmented by planes from the Argentia base By July 2 ice no longer menaced the United States–Europe trans-Atlantic lane routes, and the Ice Patrol was accordingly discontinued for the season The program of scientific studies, carried on before World War II as a part of this international service of ice observation and ice patrol, was reestablished this season through the assignment of the cutter *Evergreen* to duty as oceanographic vessel

Bering Sea Patrol

The Bering Sea Patrol, which was discontinued during World War II, was resumed in May 1948 with the assignment of the cutter *Northwind* to duty under the 13th Coast Guard District This patrol has for its purpose the protection of life and property, protection of the seal herds and other wild life, law enforcement and transportation of a floating court in the administration of justice, and the furnishing of medical and dental assistance to natives and others in remote localities in the areas contiguous to the Bering Sea and Arctic Ocean

Ocean Weather Stations

Since 1940 the Coast Guard, at the direction of the President, has been maintaining ocean weather stations as a joint Weather Bureau–Coast Guard operation During the fiscal year two such stations were maintained in the North Atlantic Ocean and one in the Pacific Ocean between the United States and Hawaii The number of stations has been limited by the available funds and also by the lack of basic legislative authority

Congress by the act of June 22, 1948 (Public Law 738), authorized the operation of floating ocean stations for the purpose of providing search and rescue, communication, and air-navigation facilities, and meteorological services in such ocean areas as are regularly traversed by aircraft of the United States Provision was also made for funds to increase the number of ocean stations in the Atlantic Ocean to 7½ (the "½" applicable to one station maintained jointly by the United States and Canada) and in the Pacific Ocean to two For this purpose 17 additional vessels will be manned At the close of the year arrangements had been consummated for the loan and activation of 15 vessels from the Navy reserve fleet and two from the Coast Guard reserve fleet It is expected that these vessels will be in service by June 30, 1949, thus enabling the Coast Guard to implement on behalf of the United States the international agreement for the maintenance of certain ocean weather stations

Aids to Navigation

On June 30, 1948, the Coast Guard maintained 36,284 aids to navigation in the navigable waters of the United States, its Territories and possessions These aids consisted of many different devices, ranging from simple unlighted wooden spar buoys to light stations, lightships, and complex loran (electronic long-range aids to

navigation) networks During the year, 1,848 new aids were established and 2,029 aids were discontinued, resulting in a decrease of 181 compared with the total number maintained on June 30, 1947 This decrease was due to readjustments to peacetime needs

In addition to loran stations in the United States, others are located in widely separated and isolated localities (Greenland, Labrador, Newfoundland, Alaska, the Philippines, and the islands of the Pacific) providing networks covering the North Atlantic and North Pacific Oceans The use of loran, by which navigators on or over the sea can determine their position accurately and quickly through the medium of radio signals transmitted from stations of known position, and which during the war was restricted to combatant vessels and aircraft, is rapidly increasing in civil aviation and maritime commerce Although located at distant and isolated points, these loran stations are provided frequent logistic service by cutters and aircraft

In order to implement the expanded postwar activities of the Coast Guard in the field of aids to navigation, Congress provided legislative authority by Public Law 786, approved June 26, 1948, for the Coast Guard to establish and operate maritime aids for the armed forces, and loran stations essential for the armed forces and maritime and air commerce of the United States

Aviation

During the fiscal year 79 aircraft, including eight helicopters, were maintained in operational status In addition to conducting many searches for distressed craft and affording transportation and medical aid in emergencies at sea, these airplanes were successfully used in collaboration with surface craft in ice-breaking activities on the Great Lakes, for flood relief in the valleys of the Mississippi, Ohio, and Columbia Rivers, for ice observation in the North Atlantic, and in logistic support of remote loran stations One converted B–17 airplane was temporarily assigned to the Coast and Geodetic Survey for the entire year to assist in photographic work in the continental United States and Alaska Airplanes were also assigned, as usual, to assist personnel of the Alcohol Tax Unit in law enforcement duties

Marine Inspection and Safety Measures

Included in the duties which the Coast Guard performed in promoting safety in the merchant marine and on navigable waters were approval of plans for the construction, repair, and alteration of vessels, approval of materials, equipment, and appliances, issuance of certificates of inspection, and of permits indicating approval of vessels for operations which may be hazardous to life or property, administration of loadline requirements, licensing and certificating of officers, pilots, and seamen, investigation of marine casualties, enforcement of manning requirements, citizenship requirements, and requirements for the mustering and drilling of crews, control of log books, shipment, discharge, protection and welfare of merchant seamen, promulgation and enforcement of rules for lights, signals, speed, steering, sailing, passing, anchorage, movement and towlines of vessels, numbering of

undocumented vessels, prescription and enforcement of regulations for outfitting and operation of motorboats, licensing of motorboat operators, and the regulation of regattas and marine parades

A digest of certain phases of the marine inspection activities follows

	Number of vessels	*Gross tonnage of vessels*
Annual inspections completed [1]	7,513	23,259,608
Drydock examinations	7,361	31,690,281
Reinspections	2,667	7,376,508
Special surveys (passenger vessels)	141	----------
Special examinations by traveling inspectors on passenger vessels and ferries	210	----------

[1] Includes 78 vessels, totaling 1,515,314 gross tons, which were conversions or new construction completed during year

There were 3,166 marine casualties investigated, including 130 accidents which resulted in the loss of 299 lives, only one of which was that of a passenger on an inspected and certificated vessel The most serious casualty was the stranding and loss of the U S Army transport *Clarksdale Victory* on November 24, 1947, which resulted in the death of 49 of the 53 seamen on board There were nine seagoing vessels and one inland passenger vessel of over 1,000 gross tons lost as a result of marine hazards

The Interagency Committee appointed by the Secretary of the Treasury, as a result of the Texas City disaster, continued its studies of the characteristics of ammonium nitrate fertilizer and safe handling measures

A total of 13,069 merchant vessel plans and blue prints were processed for approval, and 365 stability, fire, and equipment tests were made in the field When the T2 tanker *Ponaganset* broke in two while at an outfitting pier in December 1947, the program for fitting crack arrestor straps on T2 tankers was less than one-quarter completed Acceleration of this program to effect completion prior to the 1948 winter season has been undertaken A revised approval record system for items of equipment requiring Coast Guard approval for use on merchant vessels was completed

Merchant Marine Personnel

The licensing and certificating of merchant marine personnel covered the issuance of 137,017 documents, of which 44,201 were issued to men who had not previously served in the merchant marine In the process of regulating the orderly conversion of the merchant marine from wartime to peacetime operation, 16,483 waivers of manning requirements were issued and 2,568 crew shortage reports were received Shipping commissioners supervised the execution of 20,940 sets of shipment and discharge shipping articles

Merchant Marine Investigating Units in major domestic ports and Merchant Marine Details in certain foreign ports continued to investigate marine casualties and to administer discipline in the merchant marine as required by Revised Statutes 4450, as amended (46 U S C 239) Merchant Marine Details in London, Bremerhaven, Naples, Trieste, and Piraeus operated throughout the year During the year 10,184 investigations of cases involving negligence,

incompetence, and misconduct were made These investigations resulted in the preferment of charges in 993 cases No hearings could be held on these charges because of the lack of hearing examiners required by the Administrative Procedure Act However, funds to hire such examiners were made available as of July 1, 1948

Personnel

On June 30, 1948, the military personnel strength of the Coast Guard on active duty consisted of 1,854 commissioned officers (1,616 Regular, 138 temporary service, 100 Reserve), 668 chief warrant and warrant officers (265 Regular, 397 temporary service, 6 Reserve), 261 cadets, and 17,080 enlisted men

The authorized force of civilian employees at Coast Guard Headquarters, Washington, D C , on June 30, 1948, numbered 650 In the field service there were 1,150 salaried personnel, 1,836 wage board employees, and 677 lamplighters

The graduation in June of 52 members of the Coast Guard Academy Class of 1948 marked the completion of the first full four-year course by a class since 1941 During the year, 750 candidates took the entrance examination for the Academy and 165 were expected to enter in July as the Class of 1952 The summer training cruise was made aboard the cutters *Campbell* and *Eagle* which left New London, Conn , in June 1948, with visits scheduled at Ponta Delgada, Azores, London, England, Teneriffe, Canary Islands, and Hamilton, Bermuda

Training activities continued on the same scale as during the previous year in an attempt to overcome shortages in trained personnel During the year 45 officers completed advanced and postgraduate training in various specialties and 17 were assigned to such training, 77 officers completed short refresher courses of various kinds, over 230 officers completed various off-duty and educational courses, 2,117 men received recruit training, and 1,785 men were graduated from the various Coast Guard and Navy petty officer training schools

The Coast Guard Institute enrolled 4,089 new students as compared with 2,977 in the previous year Enrollment at the end of the year was 5,008 The preparation of many new courses for officers and enlisted men was begun

Of the 20,665 men who applied for enlistment in the Coast Guard, 4,811 were enlisted, 5,612 were rejected for physical reasons, 8,287 were rejected for other reasons, and 1,955 were accepted but failed to enlist Starting late in the fiscal year, enlistments in the Coast Guard Reserve were opened to former Coast Guard and Coast Guard Reserve members meeting certain qualifications

For rendering medical service, guarding the health of Coast Guard personnel, and conducting physical examinations, the Public Health Service had detailed to Coast Guard vessels and shore stations on June 30, 1948, 24 medical officers, 31 dental officers, eight nurse officers, and one scientist officer Three of the medical officers completed the course of flight training at the Naval Air Training Center, Pensacola, Fla , and were designated flight surgeons and detailed to Coast Guard aviation

Coast Guard Auxiliary

Membership in the Coast Guard Auxiliary—a nonmilitary organization composed of owners of motorboats, yachts, aircraft, and radio stations, and of persons especially qualified for duty in the Auxiliary, to assist the Coast Guard on a voluntary basis in promoting maritime safety and in emergencies—numbered 13,195 on June 30, 1948, embracing the affiliation of 5,031 boats, 164 airplanes, and 169 radio stations

Valuable assistance was rendered to the Coast Guard and to the boating public, with Auxiliary units participating in hurricane and flood relief operations and in the patrol of regattas and marine parades In the conduct of the Courtesy Motorboat Inspection program, 4,170 motorboats were inspected, and a new program was inaugurated for affording practical instruction in basic small boat seamanship to nonmembers

Districts, Facilities, and Equipment

The 10th Coast Guard District was abolished on March 31, 1948 This district comprised the Panama Canal Zone, all of the island possessions of the United States pertaining to Puerto Rico and the Virgin Islands, and all United States naval reservations in the islands of the West Indies and on the north coast of South America, with district headquarters at San Juan, Puerto Rico The functions, responsibilities, and facilities of this district were transferred to and combined with the Seventh Coast Guard District, with headquarters at Miami, Fla This amalgamation reduced the number of Coast Guard districts from 12 to 11

On June 30, 1948, the floating units in active commission consisted of 160 cutters of various types, 59 patrol boats, 37 lightships, 40 harbor tugs, and nine buoy boats In addition there were 171 motor lifeboats, 1,466 motorboats, and 2,357 nonpowered small craft in operation

Authorized shore units as of June 30, 1948, included nine air stations, four air facilities, ten bases, 172 lifeboat stations, 446 light stations, 73 light attendant stations, and 20 radio stations

One yard at Curtis Bay, Md, 41 depots, and two supply depots afforded maintenance facilities to the vessel, aircraft, and shore establishments

During the year surplus vessels with an acquisition value of $49,656,722 and other surplus property with an acquisition value of $15,136,182 were disposed of

Construction and Development

Construction activities during the year were confined principally to maintenance and modernization of existing structures Construction of permanent loran station buildings in the Aleutian Islands was started, as was also a concrete base building at the Coast Guard Base, Causeway Island, Miami, Fla

To effect economies in operating costs, four steam-powered lightships were converted to Diesel ships, and seventy-two 38-foot cabin picketboats and four 83-foot patrol boats were converted from gasoline propulsion to Diesel installations

With the purpose of obtaining information for improving the design and structural and operational efficiency of icebreaking types of vessels in general, tests were conducted on the ice-breaker *Mackinaw* on the Great Lakes It was a joint undertaking in which various governmental and industrial agencies participated

A continuing program of development was carried on in perfecting, improving, and adding to the efficiency of various appliances and equipment used by the Coast Guard in performance of its duties Illustrative examples were development of a remote controlled unattended lightship radio-beacon vessel to be moored offshore to serve as a marine aid to navigation, and of a new standard type of trihedral radar buoy reflector affording greater range of detection

Engineering tests were inaugurated on a considerable number of new electronic devices for more effectively performing Service missions without requiring additional manpower Notable developments in this field included extensions and improvements in automatic synchronizing equipment for loran shore stations to further decrease manpower requirements at these stations, a new radiobeacon alarm device to permit attendants to safely leave the immediate vicinity of the radiobeacon equipment, and a new radio-telegraph automatic call signal receiving alarm Work was started on planned tests for new types of high frequency radio direction finders which can be utilized by existing shore radio stations without additional manning personnel, and on tests of new radiophone direction finders for search work involving radio-phone-equipped yachts and small boats

The Ship Structure Committee, which is a cooperative effort comprised of members from the Army, Navy, Coast Guard, Maritime Commission, and American Bureau of Shipping, achieved several significant results on the improvement of hull structures of ships The objectives of the Committee are being achieved through the coordination of the research efforts of the member agencies and private industry and by the establishment of specific research projects in Federal and university laboratories

Funds Available, Obligations, and Balances

During the fiscal year 1948 the sum of $1,089,100 was expended under the provisions of the Mustering Out Payment Act of 1944 The Coast Guard Terminal Leave Unit paid $4,012,489 to 23,510 claimants in settlement of unused leave under the Armed Forces Leave Act of 1946

The following table shows the amounts available for the Coast Guard during the fiscal year 1948, and the amount of obligations and unobligated balances

	Funds available	Net total obligations	Unobligated balances
Current operating appropriation			
Salaries, office of Commandant	$2,000 000	$1,980,584	$19 416
Pay and allowances	04 281 225	63 522,513	758 712
Civilian employees (field)	3 629 293	3 545 778	83 515
General expenses	24,548 888	24 115 414	433,474
Subtotal	94 459,406	93 164,289	1 295,117
Retired pay	10 358 589	10 831 567	27 022
Acquisition, construction and improvements			
Allocation from 1948 appropriation	732 005	665 538	66,407
Prior year unobligated balances			
Acquisition of vessels and shore facilities Coast Guard	2,715 839	303,504	2 412 335
Emergency construction, vessels and shore facilities Coast Guard	78,870	-	78,870
Establishing and improving aids to navigation, Coast Guard	2,915 452	2,151,906	763,546
Special projects aids to navigation, Coast Guard	245 144	34 802	210 342
Subtotal	6,687 310	3 155 750	3 531 560
Total appropriated funds	112,005,305	107 151 606	4 853,699
Miscellaneous funds			
Payments, Armed Forces Leave Act of 1946 (allotment to Treasury Coast Guard)	12,002 565	4 012,489	8 050 076
Administrative expenses, payments Armed Forces Leave Act of 1946 (allotment to Treasury, Coast Guard), 1947 and 1948	07 932	63,887	4,045
Proceeds of sales of Coast Guard sites, Treasury Department	600 000	459 302	140 698
Total miscellaneous funds	12,730,497	4 535 078	8,194,819
Working funds established by advances from other Government agencies			
Department of the Navy	737,203	166 825	570,378
Department of the Army	11 000	11 000	
Federal Security Agency	350 000	349 989	11
Department of Commerce	10,000	10 000	-
Total working funds	1 108 203	537 814	570 389
Grand total	125 844,005	112,225,098	13 018,907

UNITED STATES SAVINGS BONDS DIVISION

The United States Savings Bonds Division is charged with the responsibility of promoting the sale of United States savings bonds The purpose of the sale of savings bonds is twofold On the part of the investor, the financial security of the individual is furthered by regular investment of funds periodically available On the part of the Government, the funds so absorbed aid in the program designed to reduce bank holdings of Government securities as much as possible In this way savings bonds will be substituted for a part of the bank-held debt As a result, the ownership of the debt is widened, the structure of the debt is improved, and a contribution is made to the control of inflationary pressures

Activities of the Division during the fiscal year 1948 were keyed to the Treasury's anti-inflation and debt management policies Sales efforts were intensified to draw into savings as great a sum as possible from the current income stream, both to lessen pressure on prices directly and to provide funds for retirement of other public debt obligations of a potentially inflationary character A major objective was to obtain wider distribution of the national debt

The Security Loan drive to increase the sales of savings bonds was conducted from April 1 through July 15, 1948 In addition to the sales to individuals, Series F and G bonds were sold to certain classes of institutional investors and certain commercial and industrial banks during the period from July 1 through 15, when a special offering of these issues was made

In addition to the Security Loan, the Division engaged in two intensive promotional programs The first, begun in June 1947 and carried through July 1947, inaugurated the bond-a-month plan for regular savings bond investments through the banks During January and February 1948 a campaign was conducted to increase participation in the payroll savings plan for regular investments for salary and wage earners

Promotion of the payroll savings plan continues to be a major activity of the Division The Payroll Savings Division works closely with private concerns and assists State field offices in payroll plan promotion The Federal Payroll Savings Section cooperates with the Interdepartmental Savings Bond Committee in promoting savings bond sales to Federal employees

The Savings Bonds Division is headed by a National Director who is also an Assistant to the Secretary of the Treasury, and serves without compensation The national organization consists of a Director of Sales, under whom function divisions of Publicity and Promotions, Advertising, Payroll Savings, Agriculture, Community Activities, Banking and Investments, Education, and Labor Organizations The administrative structure is headed by the Office of the Executive Director The field organization operates through a small Sales Coordination Staff and Directors in each State

Sales activities of the Division are assisted by a Nation-wide organization of volunteers, serving without compensation, headed by advisory committees in each State, and operating through county and local committees

Promotional costs of the savings bond program are held to a minimum through contributions of advertising by radio, newspapers, and other media and by many national and local advertisers Savings bond advertising and promotion material is prepared and donated by the advertising agencies of The Advertising Council, Inc, for Treasury distribution to media and advertisers

Sales of savings bonds of all series during the fiscal year 1948 totaled $6,234,694,000 Details of sales, redemptions, and amounts outstanding will be found on pages 25 to 26 and 520 to 532

UNITED STATES SECRET SERVICE

The principal functions of the Secret Service are the protection of the President of the United States and members of his family, of the President-elect, of the White House, the Treasury Building, and other buildings housing Treasury Department activities, and of the currency and other obligations and securities of the United States in production, storage, and transit The Secret Service is also charged with the suppression of counterfeiting, forging, and alteration of obligations and securities of the United States and foreign countries, and of counterfeiting of coins, and with investigations of forged

endorsements on, or the fraudulent negotiation of, United States Treasury checks and bonds, of loss of valuables in shipments by Government agencies, and of applicants for positions in certain agencies of the Treasury Department

Protective and Security Activities

Security plans were executed successfully during the President's visit to the Virgin Islands and Puerto Rico Enthusiastic cooperation was extended to the Secret Service by police departments in various localities incident to the President's journey to the West in June 1948

The White House was open to the public throughout the year, and 538,650 visitors were shown through the parlors

The Uniformed Force of the Secret Service protected over $190 billion in currency, stamps, and other obligations in transit, and quantities of securities in production and storage

Enforcement Activities

During the year Secret Service agents seized $3,094,230 01 in counterfeit bills and coins, the largest amount of seizures in the 83 years of the agency's existence These record seizures were due largely to the counterfeiting of United States money abroad Of the 51 new counterfeit note issues which appeared during the year, 35 were of foreign origin Counterfeit coins seized totaled $8,473 56

Seizures of counterfeits of foreign origin totaled $2,346,796 00, of which only $42,566 00 reached circulation in the United States Near Marseilles, France, United States Secret Service agents and French police smashed a huge counterfeiting ring in September 1947 Officers captured $2,145,200 00 in fake bills and arrested 11 counterfeiters who, at the close of the year, were awaiting trial

Domestic counterfeiting also increased, but not to any alarming extent Of the total of $747,434 01 in domestic bills and coins captured in the United States, $102,648 91 reached circulation

There were 158 arrests and 90 convictions for violations of the counterfeiting laws, arrests having increased 71 7 percent compared with 1947

Nine men in Florida and Georgia, arrested for counterfeiting, were discovered also to be stolen-car racketeers Secret Service agents captured nearly $60,000 in counterfeit $20 notes, together with a quantity of stolen New Jersey automobile registration certificates The men were sentenced to terms ranging from three to seven years

The year also brought the solution to a 15-year-old Secret Service riddle Since 1932 more than 5,000 counterfeit $1 bills were passed in New York City Agents finally traced the maker to a small apartment there, and seized negatives and plates for the counterfeits, together with a printing press and photographic equipment They arrested the 72-year-old counterfeiter who, at the close of the year, was under indictment and awaiting trial

The largest domestic counterfeiting seizure was in Chicago, Ill, where agents, in December 1947, rounded up a gang of former counterfeiters of ration stamps and charged them with manufacturing more than half a million dollars in counterfeit $5, $10, $20, and $50 bills.

Agents seized $365,000 and determined that almost an equal amount had been burned The seven offenders were sentenced June 2, 1948, to terms ranging from two to ten years

The greatest enforcement problem of the Secret Service involved thefts and forgeries of Government checks and savings bonds There were 32,283 forged checks and 11,019 forged bonds received for investigation during the year Agents completed investigation of 28,004 checks totaling $1,953,186 04 and 12,174 bonds with a value of $579,909 19 There were 15,458 cases of both types pending June 30, 1948

A record for fast action was made in one case involving a marine who stole five blank Government checks from the Marine Base at San Diego, Calif, March 24, 1948, three of which he negotiated With police cooperation the Secret Service issued alarms which resulted in the capture of the offender in Nevada less than 12 hours after the theft occurred He will be court-martialed by the Marine Corps

Of the 1,732 persons arrested for check forgery, 1,590 were convicted There were 232 arrests for bond forgery and 245 [1] convictions Fines in criminal cases totaled $70,331 51 and jail sentences totaled about 2,091 years, with additional sentences of 2,585 years suspended or probated

The Secret Service closed 43,540 criminal cases and 2,081 noncriminal cases, making a total of 45,621 investigations completed during the year

The following tables constitute a statistical summary of Secret Service activities for 1948

Counterfeit money seized, fiscal years 1947 and 1948

	1947	1948	Increase, or decrease (—)	
			Amount	Percentage
Counterfeit and altered notes seized				
After being circulated	$62,413 00	$187,318.60	$74 905 60	120 0
Before being circulated	183,763 25	2,948 437 85	2,764,674 60	1,504 5
Total	246 176 25	3 085,756 45	2,839 580 20	1,153 5
Counterfeit coins seized				
After being circulated	7,915 09	7,896.31	—18 78	—0 2
Before being circulated	1 299 70	577 25	—722 45	—55 6
Total	9,214 79	8,473 56	—741 23	—8 0
Grand total	255 391 04	3,094 230 01	2 838,838 97	1 111 6

[1] Includes dispositions on cases pending from prior years

Number of investigations of criminal and noncriminal activities, fiscal years 1947 and 1948

	1947	1948	Increase or decrease (—)	
			Number	Percentage
Criminal cases				
Making or passing				
Counterfeit notes	82	118	36	43 9
Counterfeit coins	47	49	2	4 3
Altered obligations	524	327	—197	—37 6
Forgery of Government checks	28 460	28 004	—456	—1 6
Stolen or altered bonds	15 709	12 174	—3, 535	—22. 5
Protective research cases	2 458	2 617	159	0 5
Other criminal cases	523	251	—272	—52. 0
Total	47 803	43 540	—4, 263	—8 9
Noncriminal cases	2, 399	2 081	—818	—13 3
Grand total cases closed	50 202	45, 521	—4 581	—0 1

Number of arrests and cases disposed of, fiscal years 1947 and 1948

	1947	1948	Increase or decrease (—)	
			Number	Percentage
Arrests for				
Making or passing				
Counterfeit notes	39	116	77	197 4
Counterfeit coins	53	42	—11	—20 8
Altered obligations	104	72	—32	—30 8
Forgery of Government checks	1, 920	1 732	—188	—9 8
Violation of Gold Reserve Act	1	8	7	700 0
Violation of Farm Loan Act	2	1	—1	—50 0
Stolen, altered, or forged bonds	306	232	—74	—24 2
Protective research cases	93	59	—34	—36. 6
Stamp and strip stamp cases		1	1	100 0
False claim cases	1	2	1	100 0
Theft of Treasury Department property	1	4	3	300 0
Miscellaneous	25	9	—16	—64 0
Total	2, 545	2 278	—267	—10 5
Cases disposed of				
Convictions in connection with				
Counterfeit notes	28	52	24	85. 7
Counterfeit coins	41	38	—3	—7 3
Altered obligations	91	57	—34	—37 4
Forgery of Government checks	1, 824	1 590	—234	—12. 8
Violation of Gold Reserve Act	4	2	—2	—50 0
Violation of Farm Loan Act		3	3	100 0
Stolen, altered, or forged bonds	273	245	—28	—10 8
Protective research cases	88	60	—28	—31 8
False claim cases	1	2	1	100 0
Theft of Treasury Department property	2	2		
War ration stamp cases	3		—3	—100 0
Miscellaneous	18	8	—10	—55. 6
Total	2, 373	2, 059	—314	—13 2
Acquittals	55	36	—19	—34 5
Dismissed, not indicted, or died before trial	166	133	—33	—19 9
Total cases disposed of	2 594	2, 228	—366	—14 1

EXHIBITS

PUBLIC DEBT

TREASURY CERTIFICATES OF INDEBTEDNESS TREASURY NOTES AND TREASURY BONDS

Exhibit 1 —Offering of ⅞ percent certificates of Series G–1948[1]

[Department Circular No 810 Public Debt]

TREASURY DEPARTMENT,
Washington, July 21, 1947

I OFFERING OF CERTIFICATES

1 The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States, for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series G–1948, in exchange for Treasury certificates of indebtedness of Series G–1947, maturing August 1, 1947

II DESCRIPTION OF CERTIFICATES

1 The certificates will be dated August 1, 1947, and will bear interest from that date at the rate of ⅞ percent per annum, payable with the principal at maturity on July 1, 1948 They will not be subject to call for redemption prior to maturity

2 The income derived from the certificates shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority

3 The certificates will be acceptable to secure deposits of public moneys They will not be acceptable in payment of taxes

4 Bearer certificates will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000 The certificates will not be issued in registered form

5 The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates

III SUBSCRIPTION AND ALLOTMENT

1 Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies

2 The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice, and any action he may take in these respects shall be final Subject to these reservations, all subscriptions will be allotted in full Allotment notices will be sent out promptly upon allotment

[1] Department Circular No 809 dated June 23, 1947, covering the offering of certificates of Series F–1948 will be found in the 1947 annual report on p 158

IV PAYMENT

1 Payment at par for certificates allotted hereunder must be made on or before August 1, 1947, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series G–1947, maturing August 1, 1947, which will be accepted at par, and should accompany the subscription

V GENERAL PROVISIONS

1 As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates

2 The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks

JOHN W SNYDER,
Secretary of the Treasury

Exhibit 2—Details of certificate issues and allotments

Circulars pertaining to issues of Treasury certificates of indebtedness during the fiscal year 1948 are similar in form to the circular shown in exhibit 1, and therefore are not reproduced in this report However, the essential details regarding each issue are summarized in the following table, and the final allotments of new certificates in exchange for maturing or called securities are shown in the succeeding table

Summary of information contained in circulars pertaining to Treasury certificates of indebtedness issued during the fiscal year 1948

Date of circular	Number of circular	Certificates of indebtedness issued	Date of issue	Date of maturity	Securities exchanged for new issue	Date subscription books closed	Allotment payment date on or before (or on later allotment)
1947			*1947*	*1948*	7/8% certificates of indebtedness	*1947*	*1947*
June 23	809	7/8% Series F–1948	July 1	July 1	Series F–1947, due July 1 1947	June 25	July 1
July 21	810	7/8% Series G–1948	Aug 1	July 1	Series G–1947 due Aug. 1 1947	July 23	Aug 1
Aug 20	812	7/8% Series H–1948	Sept 1	July 1	Series H–1947 due Sept 1 1947	Aug 22	Sept 2[1]
Sept 22	816	1% Series J–1948	Oct 1	Oct. 1	Series J–1947 due Oct 1, 1947	Sept 24	Oct 1[1]
Oct 22	818	1% Series K–1948	Nov 1	Oct 1	Series K–1947 due Nov 1 1947[2]	Oct. 24	Nov 1[1]
Dec 19	821	1⅛% Series A–1949	*1948* Jan. 1	*1949* Jan. 1	Series A–1948 due Jan 1 1948[2]	Dec 23	*1948* Jan 2[1]
1948 Jan. 20	822	1⅛% Series B–1949	Feb 1	Feb 1	Series B–1948 due Feb 1 1948[2]	*1948* Jan 22	Feb 2[1]
Feb 18	823	1⅛% Series C–1949	Mar 1	Mar 1	Series C–1948 due Mar 1, 1948[2] Treasury bonds 2% of 1948–50 (dated Mar 15 1941) due Mar 15, 1948[2,3] 2¾% of 1948–51 due Mar 15 1948[2,3]	Feb 20	Mar 1[1,4]
Mar 22	824	1⅛% Series D–1949	Apr 1	Apr 1	7/8% certificates of indebtedness Series D–1948 due Apr 1 1948[2]	Mar 24	Apr 1[1]
May 19	827	1⅛% Series E–1949	June 1	June 1	Series E–1948 due June 1 1948 1¾% Treasury bonds of 1948 due June 15 1948	May 21 and 25[5]	June 1[1,6]
June 21	829	1⅛% Series F–1949	July 1	July 1	7/8% certificates of indebtedness Series F–1948 due July 1, 1948 Series G–1948 due July 1 1948 Series H–1948 due July 1 1948	June 23	July 1[1]

1 Full year's interest on certificates surrendered was paid to subscriber following acceptance of certificates.

2 Beginning with November 1947 operation arrangements were made between Treasury and Federal Reserve System whereby all or part of System s holdings of certain maturing and called securities would be presented for cash redemption.

3 Called on Nov 14, 1947 for redemption on Mar 15 1948

4 In case of called bonds in coupon form, payment of accrued interest on new certificates from Mar 1 to 15 1948 ($0.43151 per $1 000) was made when subscription was tendered In case of maturing registered bonds, accrued interest was deducted from amount of check issued in payment of final interest on bonds surrendered. Final interest due Mar 15 on bonds surrendered was paid in case of coupon bonds, by payment of Mar 15, 1948, coupons which were detached by holders before presentation of bonds and in case of registered bonds, by checks drawn in accordance with assignments on bonds surrendered

5 Subscription books closed May 21 1948, except for receipt of subscriptions from holders of $25,000 or less of maturing bonds. For the latter class the subscription books closed May 25 1948.

6 In case of maturing bonds in coupon form, payment of accrued interest on new certificates from June 1 to 15, 1948 ($0 43151 per $1 000) was made when subscription was tendered. In case of maturing registered bonds, accrued interest was deducted from amount of check which was issued in payment of final interest on bonds surrendered Final interest due June 15 on bonds surrendered was paid in case of coupon bonds, by payment of June 15, 1948, coupons, which were detached by holders before presentation of bonds, and in case of registered bonds by checks drawn in accordance with assignments on bonds surrendered

Treasury certificates of indebtedness issued in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1948

[In thousands of dollars]

Federal Reserve district	⅞% Series F-1948 certificates exchanged for ⅞% Series F-1947 certificates maturing July 1, 1947	⅞% Series G-1948 certificates exchanged for ⅞% Series G-1947 certificates maturing Aug 1, 1947	⅞% Series H-1948 certificates exchanged for ⅞% Series H-1947 certificates, maturing Sept 1 1947	1% Series J-1948 certificates exchanged for ⅞% Series J-1947 certificates maturing Oct 1 1947	1% Series K-1948 certificates exchanged for ⅞% Series K-1947 certificates, maturing Nov 1 1947	1¼% Series A-1949 certificates exchanged for ⅞% Series A-1948 certificates maturing Jan 1 1948	1⅛% Series B-1949 certificates exchanged for ⅞% Series B-1948 certificates maturing Feb 1 1948	1⅛% Series C-1949 certificates exchanged for— ⅞% Series C-1948 certificates maturing Mar 1 1948	2% Treasury bonds of 1948-50 (dated Mar 15 1941) called for redemption on Mar 15 1948	2¾% Treasury bonds of 1948-51 called for redemption on Mar 15 1948	Total
oston	86,088	17 693	36,631	59 341	38,623	62,752	118 301	60,832	40,193	36 820	137 845
/ew York	1,726 902	651 743	1 484,263	629 589	712,781	1,302,652	1 006 089	769,600	578,553	636 126	1 984,279
hiladelphia	40 138	20,365	37 717	31,653	34,454	49,374	47 689	44,974	19,832	16,664	81 470
leveland	37 033	20,549	16,413	42,035	14,313	39 760	62,342	18,732	38 705	39,977	97 414
Cincinnati	8,988	10,162	5,797	6 085	6,903	11 865	10,706	19,218	6,476	2 062	27 756
Pittsburgh	26,840	3 365	11 770	5,869	9,972	22,612	19 968	25,701	6,557	6 284	38,542
ichmond	15,590	4,670	4,881	10,430	31,129	21 665	10 576	10,657	4,811	8,037	23 505
Baltimore	6,573	3 894	4,013	3 572	12,589	9 114	14 487	5,082	9,326	342	14,750
Charlotte	11,566	2,126	3 913	5,188	5 691	13 366	7 681	3 926	4	121	4 051
tlanta	19,494	14,574	23 762	15,856	21 870	35,451	29 109	31 089	994	6 906	38,989
Birmingham	6,900	2,130	3 599	4,601	3 630	11 621	11 796	7 118	768	247	8,133
Jacksonville	9,358	2,261	4,324	3,197	4,420	6,620	6,525	6,848	426	329	7 603
Nashville	5,461	2,870	5,058	7 342	5,026	6 618	9,230	9,668	121	321	10,110
New Orleans	15,349	9 115	13,163	8,034	12,572	13 774	14 750	26,912	862	1 565	29 339
'hicago	273 425	135,505	257 789	205,669	203,822	367 562	262,540	236 298	65,956	84,786	387 040
t. Louis	38,597	17 449	24,704	30,858	29 721	65,563	46,199	41 332	8 395	10,667	60,394
Little Rock	4,368	1 825	2,890	2,079	3,173	4,087	4,246	4,495	66	4	4,565
Louisville	12,670	7 151	7 349	8,990	10 789	25 183	22,599	23,767	919	720	25 406
Memphis	8 949	4,020	6,527	8 508	4,976	13 565	9 617	6,337	111	144	6 592
Iinneapolis	42 948	32,544	51,408	46,792	46,726	53 278	61 578	51 267	18 108	16,131	85,506
Kansas City	93 182	65,290	76,294	91 208	77 480	137 212	111 773	83 905	21 580	10,210	115,696
Dallas	23 033	9,777	14 800	15,964	15,605	34,635	31 849	20 343	1 779	1 662	23,784
El Paso	1,264	899	2,649	1,476	1 710	3 384	2,807	2,117	138	118	2,373
Houston	16,761	4,737	7 289	10 588	9 238	17 280	12,172	19 619	1 276	876	21 771
San Antonio	20,659	7 880	5,393	8 280	20,561	13 543	13 911	6,608	341	11	6,960
an Francisco	88,061	26,153	41 784	31 911	30,259	113 198	122 602	62 741	49,044	75 630	187 415
Los Angeles	88,501	41 769	45 890	49,656	77 280	120,441	95,728	72 599	18,620	7 336	98 555
Portland	2,245	1,038	1 637	4,658	7 567	2,825	9 926	3 461	335	905	4 701

Salt Lake City	2,658	1 166	2,593	1 192	1 806	3 845	3,135	2 792	159	57	3,008
Seattle	6,009	1 847	3 636	2 317	6,395	8,556	6,069	6 941	2,831	515	10,287
Treasury	2,354	2,105	1 227	1 028	5,995	610	2 813	2,444	1,681	1 192	5,317
Total allotments on exchanges	2,741 964	1,126,672	2,209,163	1 353 966	1 467 076	2,591 911	2 188,813	1 687 423	898,969	966,764	3,553,156
Cash redemptions of maturing or called securities											
Redeemed by Federal Reserve Banks	- -	-			203 261	400 000	1 614,072	285 158	74 600	100 500	460 258
Redeemed by others or carried to matured debt	173 746	96,781	131,842	85,597	104,241	142,286		169 150	141 799	156,232	467,181
Total redeemed for cash	173 746	96,781	131 842	85,597	307 502	542 286	1 757 847	454 308	216,399	256 732	927 439
Total matured or called securities	2,915,710	1,223 453	2,341 005	1 439 563	1,774 578	3 134,197	3,946 660	2,141 731	1 115 368	1 223 496	4,480,595

Treasury certificates of indebtedness issued in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1948—Continued

[In thousands of dollars]

Federal Reserve district	1⅛% Series D-1949 certificates exchanged for ⅞% Series D-1948 certificates, maturing Apr 1 1948	1⅛% Series E-1949 certificates exchanged for—			1⅛% Series F-1949 certificates exchanged for—			
		⅞% Series E-1948 certificates maturing June 1 1948	1¾% Treasury bonds of 1948 maturing June 15, 1948	Total	⅞% Series F-1948 certificates maturing July 1, 1948	⅞% Series G-1948 certificates maturing July 1 1948	⅞% Series H-1948 certificates maturing July 1 1948	Total
Boston	21,366	29,682	137,814	167,496	46,884	12,986	38,344	98,214
New York	496,455	923,523	1,446,753	2,370,276	1,706,557	696,807	1,333,331	3,736,695
Philadelphia	23,820	32,748	68,163	100,911	69,020	21,376	57,303	147,699
Cleveland	17,990	34,496	53,257	87,753	37,443	8,673	29,579	75,695
Cincinnati	10,343	12,369	23,183	35,552	6,911	6,029	5,255	18,195
Pittsburgh	11,606	20,087	26,713	46,800	14,145	4,529	9,696	28,370
Richmond	7,950	5,266	16,864	22,130	7,471	2,472	8,197	18,140
Baltimore	3,021	6,649	30,861	37,510	5,717	2,192	3,913	11,822
Charlotte	2,887	5,805	3,448	9,253	6,172	4,023	3,855	14,050
Atlanta	17,461	13,001	15,083	28,084	15,667	8,551	16,526	40,744
Birmingham	5,249	3,986	3,626	7,612	6,957	2,068	3,615	12,640
Jacksonville	2,558	6,794	6,546	13,340	3,425	829	5,896	10,150
Nashville	6,789	5,432	7,421	12,853	4,537	4,224	5,995	14,756
New Orleans	10,434	7,325	8,873	16,198	8,911	11,706	6,266	26,883
Chicago	156,443	151,688	351,833	503,521	247,189	107,096	242,631	396,916
St Louis	21,047	23,767	46,432	70,199	40,053	18,516	33,262	91,831
Little Rock	3,489	10,746	1,465	12,211	2,569	1,622	1,836	6,027
Louisville	15,849	14,264	13,547	27,811	13,744	6,388	8,484	28,616
Memphis	5,615	7,696	4,582	12,278	7,949	1,948	9,840	19,737
Minneapolis	47,318	43,499	61,326	104,825	43,757	25,922	52,523	122,202
Kansas City	53,914	65,746	77,262	143,008	78,056	44,617	70,895	193,568
Dallas	13,292	18,313	17,991	36,304	25,304	9,836	19,860	55,000
El Paso	1,274	3,577	1,328	4,905	1,386	754	1,381	3,521

Houston	15,114	14 555	12,789	27 344	14,572	4 569	7 722	26,863
San Antonio	10,495	11 325	7 248	18,573	9 760	6,795	4 219	20 774
San Francisco	35,630	65,432	170,251	235,683	100 411	32,475	73 007	205,893
Los Angeles	29,755	57 736	55,022	112,758	68 101	24,813	37 332	130 246
Portland	1 798	5,107	3,745	8,852	1 316	2,304	3,532	7 152
Salt Lake City	1 137	3 424	2,942	6,366	1 177	1 114	1 186	3 477
Seattle	2,598	8,363	5 827	14,190	4,915	2,538	5,964	13 417
Treasury	2,138	5 361	1 160	6 521	1 283	926	1 388	3 597
Total allotments on exchanges	1 054,836	1 617 762	2,683,355	4 301 117	2,601 359	1 078,698	2 102,833	5 782,890
Cash redemptions of maturing or called securities								
Redeemed by Federal Reserve Banks	106,282							
Redeemed by others or carried to matured debt	160,021	159 380	378,496	537 877	140 605	47 974	106,330	294,909
Total redeemed for cash	266,303	159,380	378,496	537 877	140 605	47 974	106 330	294,909
Total matured or called securities	1 321 139	1 777 142	3 061 852	4 838,994	2,741 964	1 126,672	2,209 163	6 077 799

NOTE —Figures are rounded and will not necessarily add to totals

Exhibit 3.—Offerings of 1 percent Treasury notes of Series B–1948 and 1⅛ percent Treasury notes of Series A–1949, and allotments

SERIES B–1948 (DEPARTMENT CIRCULAR NO. 813. PUBLIC DEBT)

TREASURY DEPARTMENT,
Washington, September 2, 1947.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 1 percent Treasury notes of Series B–1948, in exchange for 1½ percent Treasury notes of Series A–1947, or 1¼ percent Treasury notes of Series C–1947, both maturing September 15, 1947.

II. DESCRIPTION OF NOTES

1. The notes will be dated September 15, 1947, and will bear interest from that date at the rate of 1 percent per annum, payable with the principal at maturity on October 1, 1948. They will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before September 15, 1947, or on later allotment, and may be made only in Treasury notes of Series A–1947, or in Treasury notes of Series C–1947, both maturing September 15, 1947, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

JOHN W. SNYDER,
Secretary of the Treasury.

SERIES A–1949 (DEPARTMENT CIRCULAR No 819 PUBLIC DEBT)

TREASURY DEPARTMENT,
Washington, November 19, 1947

I OFFERING OF NOTES

1 The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for notes of the United States, designated 1⅛ percent Treasury notes of Series A–1949, in exchange for ⅞ percent Treasury certificates of indebtedness of Series L–1947, maturing December 1, 1947, or 2 percent Treasury bonds of 1947, maturing December 15, 1947 Exchanges will be made par for par in the case of the maturing certificates, and at par with an adjustment of interest as of December 15, 1947, in the case of the maturing bonds

II DESCRIPTION OF NOTES

1 The notes will be dated December 1, 1947, and will bear interest from that date at the rate of 1⅛ percent per annum, payable with the principal at maturity on January 1, 1949 They will not be subject to call for redemption prior to maturity [1] * * *

IV PAYMENT

1 Payment for notes allotted hereunder must be made on or before December 1, 1947, or on later allotment Payment of the principal amount may be made only in Treasury certificates of indebtedness of Series L–1947, maturing December 1, 1947, or in Treasury bonds of 1947, maturing December 15, 1947, which will be accepted at par and should accompany the subscription The full year's interest on the certificates surrendered will be paid to the subscriber following acceptance of the certificates In the case of the maturing bonds in coupon form, payment of accrued interest on the new notes from December 1, 1947, to December 15, 1947 ($0 43151 per $1,000), should be made when the subscription is tendered In the case of maturing registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1947, coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered

V ASSIGNMENT OF REGISTERED BONDS

1 Treasury bonds of 1947 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury notes of Series A–1949 to be delivered to ----------", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch or to the Treasury Department, Division of Loans and Currency, Washington, D C The bonds must be delivered at the expense and risk of the holder

VI GENERAL PROVISIONS

1 As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *

JOHN W SNYDER,
Secretary of the Treasury

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[1] Omitted portion similar to corresponding sections of Department Circular No 813, preceding

Treasury notes issued in exchange for matured securities, by Federal Reserve districts, fiscal year 1948

[In thousands of dollars]

Federal Reserve district	1% Series B-1948 Treasury notes exchanged for—			1⅛% Series A-1949 Treasury notes exchanged for—		
	1½% Series A-1947 Treasury notes maturing Sept 15 1947	1¼% Series C-1947 Treasury notes maturing Sept 15 1947	Total	⅞% Series L-1947 certificates maturing Dec 1 1947	2% Treasury bonds of 1947, maturing Dec 15 1947	Total
Boston	79 187	39 871	119 058	74,268	13 919	88 187
New York	1 309,037	673,095	1 982,132	1 167 213	362,640	1 529 853
Philadelphia	72,565	86 167	158 732	78 430	12,594	91 024
Cleveland	53,352	35,416	88 768	116 739	32,863	149 602
Cincinnati	26,516	7 184	33,700	21 420	4 089	25,509
Pittsburgh	16,559	16 274	32,833	34 641	10 059	44 700
Richmond	25,086	13 687	38,773	23 108	1 294	24 402
Baltimore	9 265	21 862	31 127	26,894	2 606	29 500
Charlotte	3 357	4,992	8,349	9 084	5	9 089
Atlanta	29 653	13,278	42 931	31 359	1 238	32 597
Birmingham	9 335	4 669	14 004	7 456	519	7 975
Jacksonville	12 548	3,957	16 505	4 604	449	5 053
Nashville	22 187	7 683	29 870	11 497	655	12,152
New Orleans	13 280	11 863	25 143	18 549	1 264	19 813
Chicago	341 913	239 050	580,963	595,283	74 258	669 541
St Louis	61 932	32 118	94,050	75 570	4 882	80,452
Little Rock	539	3 145	3 684	7 592	100	7 692
Louisville	21 577	16 615	38,192	17 266	405	17 671
Memphis	8 626	4 960	13 586	6,697	1 120	7 817
Minneapolis	93,600	33 630	127 230	96,751	16 083	112 834
Kansas City	104,754	81 312	186 066	128,691	30 651	159 342
Dallas	35,553	27 879	63 432	39 748	281	40 029
El Paso	2,280	2,286	4 566	1 488	115	1 603
Houston	13 462	5,651	19 113	28 508	3,304	31 812
San Antonio	16 314	7 130	23 444	18 969	582	19 551
San Francisco	127 975	91 639	219 614	109 469	42 797	152 266
Los Angeles	53 358	18 404	71 762	103 387	6 502	109 889
Portland	6 412	3 085	9 497	15 905	10	15 915
Salt Lake City	2,195	574	2,769	9 379	429	9 808
Seattle	5,876	3 856	9 732	20 687	1 299	21 986
Treasury	1 805	620	2,425	7 137	17	7 154
Total allotments on exchanges	2,580,098	1 511 952	4 092,050	2 907 789	627 029	3 534,818
Cash redemption of maturing securities						
Redeemed by Federal Reserve Banks				138 800		138 800
Redeemed by others or carried to matured debt	127 191	175,292	302 483	234,203	74,044	308 247
Total redeemed for cash	127 191	175 292	302 483	373,003	74,044	447 047
Total matured securities	2,707 289	1 687 244	4,394 533	3 280,792	701 073	3 981 865

Exhibit 4.—Call, November 14, 1947, for redemption on March 15, 1948, of two issues of Treasury bonds (press release November 14, 1947)

The Secretary of the Treasury announced today that the bonds of two outstanding issues which may be redeemed at the option of the United States on March 15, 1948, are called for redemption on that date. These issues are the 2 percent Treasury bonds of 1948–50, dated March 15, 1941, and the 2¾ percent Treasury bonds of 1948–51, dated March 16, 1936. There are now outstanding $1,115,367,900 of the 2 percent bonds and $1,223,495,850 of the 2¾ percent bonds.

The texts of the formal notices of call are as follows:

TWO PERCENT TREASURY BONDS OF 1948–50 (DATED MARCH 15, 1941)

To Holders of 2 Percent Treasury Bonds of 1948–50 (Dated March 15, 1941), and Others Concerned:

1. Public notice is hereby given that all outstanding 2 percent Treasury bonds of 1948–50, dated March 15, 1941, are hereby called for redemption on March 15, 1948, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

JOHN W. SNYDER,
Secretary of the Treasury.

TWO AND THREE-QUARTERS PERCENT TREASURY BONDS OF 1948–51 (DATED MARCH 16, 1936)

To Holders of 2¾ Percent Treasury Bonds of 1948–51 (Dated March 16, 1936), and Others Concerned:

1. Public notice is hereby given that all outstanding 2¾ percent Treasury bonds of 1948–51, dated March 16, 1936, are hereby called for redemption on March 15, 1948, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

JOHN W. SNYDER,
Secretary of the Treasury.

TREASURY BILLS

Exhibit 5.—Inviting tenders for Treasury bills dated July 3, 1947 (press release June 27, 1947)

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 3, 1947, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated July 3, 1947, and will mature October 2, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, two o'clock p. m., eastern standard time, Monday, June 30, 1947. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and the price offered must be ex-

pressed on the basis of 100, with not more than three decimals, e g, 99 925 Fractions may not be used It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids Those submitting tenders will be advised of the acceptance or rejection thereof The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final Subject to these reservations, tenders for $200,000 or less from any one bidder at 99 905 entered on a fixed-price basis will be accepted in full Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 3, 1947, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 3, 1947 Equal treatment will be accorded all tenders, whether the bidders offer to exchange maturing bills or to pay cash for the new bills bid for Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax acts now or hereafter enacted The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States or by any local taxing authority For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest Under sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss

Treasury Department Circular No 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue Copies of the circular may be obtained from any Federal Reserve Bank or branch

Exhibit 6 —Acceptance of tenders for Treasury bills dated July 3, 1947 (press release July 1, 1947)

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated July 3 and to mature October 2, 1947, which were offered on June 27, 1947, were opened at the Federal Reserve Banks on June 30

The details of this issue are as follows

Total applied for $1, 841, 142, 000

Total accepted .... $1, 302, 515, 000 (includes $13,707,000 entered on a fixed price basis at 99 905 and accepted in full)

Average price .... 99 905+Equivalent rate of discount approximately 0 376% per annum

Range of accepted competitive bids

High—99 907 Equivalent rate of discount approximately 0 368% per annum

Low—99 905 Equivalent rate of discount approximately 0 376% per annum

(70 percent of the amount bid for at the low price was accepted)

Federal Reserve district	Total applied for	Total accepted
Boston	$15, 370 000	$10 870 000
New York	1, 507 531, 000	1, 102 561, 000
Philadelphia	16, 368 000	13 368 000
Cleveland	1 780 000	1, 780 000
Richmond	3 859 000	3, 259, 000
Atlanta	625 000	618 000
Chicago	141 904 000	99 904, 000
St Louis	17 290 000	12, 460 000
Minneapolis	17 865 000	12, 825 000
Kansas City	21 070 000	17 380, 000
Dallas	2, 770 000	2, 380, 000
San Francisco	34 710 000	25, 110 000
Total	1, 841 142 000	1 302, 515 000

Exhibit 7 —**Summary of Treasury bill information contained in press releases**

Press releases pertaining to Treasury bill issues during the fiscal year 1948 were similar in form to exhibits 5 and 6 and are, therefore, not reproduced here The essential details regarding each issue are summarized in the following table

Summary of information contained in press releases [1] pertaining to Treasury bills issued during the fiscal year 1948

Date of issue	Date of maturity	Days to maturity	Amounts (in thousands): Total applied for [3]	Tenders accepted: Total accepted [2]	Tenders accepted: Amount on competitive basis [3]	Tenders accepted: Amount on noncompetitive basis [3]	Tenders accepted: For cash	Tenders accepted: In exchange	Prices and rates: Total bids accepted: Average price per hundred	Total bids accepted: Equivalent average rate [4] (percent)	Competitive bids accepted: High: Price per hundred	High: Equivalent rate [4] (percent)	Low: Price per hundred	Low: Equivalent rate [4] (percent)
1947	1947													
July 3	Oct 2	91	$1,841,342	$1,302,715	$1,288,808	$13,907	$492,355	$810,360	99.905	0.376	99.907	0.368	99.905	0.376
10	9	91	1,661,863	1,300,023	1,286,150	13,873	158,653	1,141,370	99.850	.594	99.906	.372	99.811	.748
17	16	91	1,552,271	1,101,781	1,086,584	15,197	271,436	830,345	99.814	.737	99.906	.372	99.810	.752
24	23	91	1,600,996	1,101,461	1,083,612	17,849	255,311	846,150	99.813	.740	99.905	.376	99.810	.752
31	30	91	1,671,445	1,101,898	1,082,156	19,742	234,069	867,829	99.813	.740	99.905	.376	99.810	.752
Aug 7	Nov 6	91	1,601,841	1,103,177	1,083,265	19,912	224,937	878,240	99.813	.740	99.874	.498	99.810	.752
14	13	91	1,668,467	1,201,358	1,178,251	23,107	192,305	1,009,053	99.813	.741	99.905	.376	99.810	.752
21	20	91	1,634,003	1,201,236	1,180,065	21,171	194,286	1,006,950	99.813	.741	[5] 99.825	.692	99.810	.752
28	28	92	1,717,996	1,301,679	1,282,981	18,698	242,609	1,059,070	99.808	.752	99.825	.685	99.805	.763
Sept 4	Dec 4	91	1,682,930	1,302,230	1,283,346	18,884	294,082	1,008,148	99.806	.766	[6] 99.815	.732	99.804	.775
11	11	91	1,654,445	1,302,890	1,278,204	24,686	254,107	1,048,783	99.801	.789	[7] 99.815	.732	99.798	.799
18	18	91	1,519,494	1,302,309	1,277,762	24,547	182,077	1,120,232	99.797	.802	[8] 99.812	.744	99.795	.811
25	26	92	1,364,389	1,102,179	1,071,052	31,127	307,217	794,962	99.793	.808	[9] 99.815	.724	99.790	.822
	1948													
Oct 2	Jan 2	92	1,617,158	1,301,348	1,276,656	24,692	146,607	1,154,741	99.791	.817	[10] 99.815	.724	99.788	.830
9	8	91	1,595,477	1,303,754	1,275,082	28,672	189,879	1,113,875	99.791	.827	99.815	.732	99.788	.839
16	15	91	1,393,846	1,104,761	1,080,061	24,700	285,719	819,042	99.789	.835	99.830	.673	99.786	.847
23	22	91	1,514,360	1,103,500	1,072,013	31,487	383,750	719,750	99.784	.855	[11] 99.813	.740	99.781	.866
30	29	91	1,441,004	1,101,484	1,070,144	31,340	323,643	777,841	99.779	.873	99.815	.732	99.777	.882
Nov 6	Feb 5	91	1,404,303	1,001,883	969,885	31,998	253,063	748,820	99.774	.895	99.782	.862	99.772	.902
13	13	92	1,555,504	1,103,550	1,065,923	37,627	256,693	846,857	99.767	.912	[12] 99.782	.853	99.765	.920
20	19	91	1,538,029	1,102,399	1,058,865	43,534	218,432	883,967	99.765	.931	[13] 99.787	43	99.763	.938
28	26	90	1,606,910	1,202,745	1,164,285	38,460	91,900	1,110,845	99.765	.940	99.780	.880	99.764	.944
Dec. 4	Mar 4	91	1,597,300	1,201,106	1,165,731	35,374	327,315	873,790	99.761	.944	99.770	.910	99.760	.949
11	11	91	1,620,047	1,205,048	1,162,169	42,879	349,883	855,160	99.760	.948	99.770	.910	99.759	.953
18	18	91	1,759,279	1,302,030	1,263,864	38,166	330,878	971,152	99.760	.949	99.790	.831	99.759	.953
26	25	90	1,398,570	1,102,730	1,065,848	36,882	303,218	794,512	99.762	.951	99.800	.800	99.761	.956

1945													
Jan 2	Apr 1	90	1 636,487	1 303 990	1 273 029	30 961	287 574	1 006,416	99 762	952	99 770	920	99 761	956
8	8	91	1 914,693	1 305 124	1 265 113	40 011	656 775	648 349	99 760	950	99 770	910	99 759	953
15	15	91	1 447 150	1 003 266	959,346	43,920	399 819	603 447	99 753	976	99 770	910	99 751	985
22	22	91	1 539 282	1 002 890	962,050	40 840	469 980	532,910	99 752	981	99 775	890	99 751	985
29	29	91	1 546,942	1 001 464	945,026	56 438	430 313	571,101	99 750	990	[14] 99 765	930	99 748	997
Feb 5	May 6	91	1 769 457	903,194	852,014	51 180	742,574	160 620	99 750	990	99 765	930	99 748	997
13	13	90	1 524,362	1 000,200	952,405	47 795	436,137	564,063	99 751	994	99 765	940	99 750	1 000
19	20	91	1 460 777	1 000 528	957 240	43,288	370 180	630 348	99 748	996	99 765	930	99 747	1 001
26	27	91	1,537 778	1 106,189	1 069 463	36,726	373,702	732 487	99 748	997	99 756	965	99 747	1 001
Mar 4	June 3	91	1 632,292	1 101 403	1,058,428	42 975	456,202	645 201	99 748	997	99 756	965	99 747	1 001
11	10	91	1 796 365	1,101 010	1 056 300	44,710	493 448	607 562	99 748	997	99 756	965	99 747	1 001
18	17	91	1,936 141	1 107,433	1,063 951	43 482	437 277	670 156	99 748	996	99 756	965	99 747	1 001
25	24	91	1 818 856	1 008,654	966 537	42 117	472,226	536 428	99 748	996	99 760	949	99 747	1 001
Apr 1	July 1	91	1 983,758	1 200 262	1 171 363	28 899	475 487	724 775	99 748	996	99 760	949	99 747	1 001
8	8	91	1 798 358	1,205 467	1,166 397	39 070	670 471	534,996	99 748	997	99 756	965	99 747	1,001
15	15	91	1 474 134	1,006 587	968,772	37 815	476,492	530 095	99 748	998	99 754	973	99 747	1 001
22	22	91	1 691 494	1 001,576	958 560	43 016	559 017	442,559	99 748	997	99 754	973	99 747	1 001
29	29	91	1 655 442	1,005 649	965 227	40 422	526,317	479 332	99 748	997	99 752	981	99 747	1 001
May 6	Aug 5	91	1 491 549	905 450	861,012	44,438	514 075	391 375	99 748	998	99 752	981	99 747	1 001
13	12	91	1 474 243	1 005,625	960 099	45 526	537 735	467 890	99 748	998	99 752	981	99 747	1 001
20	19	91	1 642 817	1 003 991	961 598	42 393	484,989	519 002	99 748	997	99 752	981	99 747	1 001
27	26	91	1 727 980	1 107 810	1 071,079	36 731	518,096	589 714	99 748	997	99 753	977	99 747	1 001
June 3	Sept 2	91	1 704,334	1 100 707	1 070 117	30 590	470 482	630 225	99 748	997	99 752	981	99 747	1 001
10	9	91	1 562,021	1 104 507	1 058 931	45 576	508,246	596 261	99 748	998	99 752	981	99 747	1 001
17	16	91	1 653 422	1 103,631	1 059 019	44 612	543 772	559 859	99 748	998	99 752	981	99 747	1 001
24	23	91	1 468,286	1 005 995	966 528	39 467	481 973	524,022	99 748	998	99 752	981	99 747	1 001

NOTE —Amount of matured issues will be found in table 26

[1] Press release inviting tenders for Treasury bill issue is dated 6 days before date of issue. Press release announcing acceptance of tenders is dated 2 days before date of issue Closing date on which tenders for issue are accepted is 3 days before date of issue

[2] Figures at maturity value are final and differ in most cases from those shown in press release announcing details of particular issue

[3] Tenders for $200 000 or less from any one bidder were accepted in full at average price per hundred except for July 3 issue which was accepted at fixed price of 99 905.

[4] Bank discount basis.

[5] Except for 2 tenders totaling $100 000
[6] Except for 1 tender of $100 000
[7] Except for 1 tender of $300 000
[8] Except for 3 tenders totaling $270 000
[9] Except for 3 tenders totaling $500 000
[10] Except for 2 tenders totaling $150 000
[11] Except for 1 tender of $50 000
[12] Except for 1 tender of $1,600,000
[13] Except for 2 tenders totaling $90 000
[14] Except for 2 tenders totaling $150 000

TREASURY BONDS INVESTMENT SERIES

Exhibit 8.—Offering of 2½ percent Treasury bonds, Investment Series A–1965, and allotments

[Department Circular No. 814. Public Debt]

TREASURY DEPARTMENT,
Washington, September 22, 1947.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, beginning September 29, 1947, at par and accrued interest, through the Federal Reserve Banks, for nontransferable bonds of the United States, designated 2½ percent Treasury bonds, Investment Series A–1965. The amount of the offering is not specifically limited.

2. These bonds will be available for subscription only by or for account of the following organizations and funds doing business in the United States, its Territories and possessions:

1. Insurance companies.
2. Savings banks.
3. Savings and loan associations and building and loan associations, and cooperative banks.
4. Pension and retirement funds, including those of the Federal, State, and local governments.
5. Fraternal benefit associations.
6. Endowment funds.
7. Credit unions.
8. Commercial and industrial banks holding savings deposits or issuing time certificates of deposit in the names of individuals, and of corporations, associations, and other organizations not operated for profit.

3. Subscriptions from or for account of such investors (except commercial and industrial banks) will be limited to an amount (adjusted to the next higher multiple of $5,000) not in excess of 25 percent of the increase in the amount of net assets[1] between December 31, 1946, and June 30, 1947, as shown by the financial statements of the subscribers, or $250,000, whichever is greater. Copies of the financial statements, certified to by a public accountant or by a responsible officer of the subscriber, must accompany each subscription for more than $250,000, or should be furnished to the agency to which the subscription will be presented prior to the submission of such subscription.

4. Subscriptions from commercial and industrial banks eligible to subscribe hereunder will be limited to an amount (adjusted to the next higher multiple of $5,000) not in excess of 25 percent of the increase in the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, between December 31, 1946, and June 30, 1947, as certified by an officer of the subscribing bank, or $25,000, whichever is greater.

5. In addition to the bonds issued to the above classes of subscribers, the Secretary of the Treasury reserves the right to issue these bonds to Government investment accounts.

II. DESCRIPTION AND TERMS OF BONDS

1. The bonds will be dated October 1, 1947, and will bear interest from that date at the rate of 2½ percent per annum, payable semiannually. They will mature and be payable at face value on October 1, 1965. The bonds may not be called for redemption by the Secretary of the Treasury prior to maturity. They may be redeemed prior to maturity, on and after April 1, 1948, at the owner's option, on the first day of any calendar month, on one month's notice in writing, at fixed redemption values, as shown in the table at the end of this circular. They will not be redeemable at par prior to maturity. Interest will be paid by check drawn to the order of the registered owner. Interest will cease

[1] Net assets for this purpose means the amount of total assets less outstanding indebtedness for borrowed money, and total assets of insurance companies means the total admitted assets calculated in accordance with the laws of the States in which the company is organized or licensed.

at maturity, or, in case of redemption before maturity, at the end of the interest period next preceding the date of redemption A table of redemption values appears on each bond, and the difference between the face amount of the bond and the redemption value fixed for any period represents an adjustment (or refund) of interest Accordingly, if the owner exercises his option to redeem a bond prior to maturity, the investment yield will be less than the interest rate on the bond

2 The income derived from the bonds shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority

3 The bonds will not be acceptable to secure deposits of public moneys They will not be entitled to any privilege of conversion They will not be transferable, and will be payable only to the owner named thereon except as otherwise provided in the regulations governing Treasury bonds, Investment Series Accordingly, they may not be sold, discounted, hypothecated as collateral for a loan, or pledged as security for the performance of an obligation or for any other purpose

4 The bonds will be issued only in registered form, and in denominations of $5,000, $10,000, $100,000, and $1,000,000 (maturity values) Partial redemption in multiples of the minimum denomination, at current redemption value, will be permitted In case of partial redemption the remainder will be reissued in authorized denominations

5 The bonds will be subject to the regulations of the Treasury Department, now or hereafter prescribed, governing Treasury bonds, Investment Series The current regulations are contained in Treasury Department Circular No 815

III SUBSCRIPTION, ALLOTMENT AND PAYMENT

1 Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies Subscriptions must be accompanied by payment in full for the amount of bonds applied for, as well as by financial statements where required, unless such statements have been previously filed by the subscriber Payment must be made at par and accrued interest, if any, on or before October 1, 1947, or on later allotment One day's accrued interest is $0 06831 per $1,000 Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district

2 The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice, and any action he may take in these respects shall be final Subject to these reservations, and to the limitations on subscriptions prescribed in section I of this circular, all subscriptions will be allotted in full Allotment notices will be sent out promptly upon allotment

IV GENERAL PROVISIONS

1 As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds

2 The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks

A L M WIGGINS,
Acting Secretary of the Treasury

2½ percent Treasury bonds, Investment Series A–1965—table of redemption values and investment yields

Table showing (1) How 2½ percent Treasury bonds, Investment Series A–1965 (paying a current return at the rate of 2½ percent per annum on the purchase price payable semiannually) change in redemption value by denominations during successive half year periods following issue (2) the approximate investment yield on the purchase price from issue date to the beginning of each half year period and (3) the approximate investment yield on the current redemption value from the beginning of each half year period to maturity Yields are expressed in terms of rate percent per annum, compounded semiannually

Maturity value Issue price	$5 000 00 $5 000.00	$10 000 00 $10 000 00	$100 000 $100 000	$1 000 000 $1 000 000	(2) Approximate investment yield on purchase price from issue date to beginning of each half year period	(3) Approximate investment yield on current redemption value from beginning of each half year period to maturity
Period after issue date	(1) Redemption values during each half year period					
					Percent	*Percent*
First ½ year	Not redeemable					2. 50
½ to 1 year	$4 940 00	$9 880 00	$98 800	$988 000	0 10	2. 59
1 to 1½ years	4 889 90	9 779 80	97 798	977 980	30	2 66
1½ to 2 years	4 845 15	9 690 30	08 903	989 030	44	2 73
2 to 2½ years	4 810 15	9 620 30	06, 208	962 030	61	2 80
2½ to 3 years	4 779 60	9 559 20	95 592	955 020	75	2. 85
3 to 3½ years	4, 754 30	9 508 80	95 086	050 800	88	2 91
3½ to 4 years	4 733 55	9 467 10	94 671	046, 710	1 00	2 05
4 to 4½ years	4 714 55	9 429 10	94 291	942 910	1 10	3 00
4½ to 5 years	4 695 00	0 391 80	93 018	930 180	1 18	3 05
5 to 5½ years	4 681. 05	9 362 10	03, 021	936 210	1 26	8 10
5½ to 6 years	4 667 35	0 334. 70	93 347	033 470	1 33	3 15
6 to 6½ years	4 657 00	0 314 00	93, 140	931 400	1 40	3 19
6½ to 7 years	4 640 80	0 203 60	92, 936	029 360	1 46	3 24
7 to 7½ years	4 639 55	9 279 10	92, 791	927 910	1 52	3 29
7½ to 8 years	4 635 25	0 270 50	02 705	027 050	1 58	3 33
8 to 8½ years	4 634 00	9, 268 00	02, 680	026 800	1 64	3 37
8½ to 9 years	4 635 85	0 271 70	02, 717	027 170	1 70	3 40
9 to 9½ years	4 640 00	9 281 80	02 818	028, 180	1 76	3 43
9½ to 10 years	4, 649 15	6 298 30	92, 983	929, 830	1 82	8 46
10 to 10½ years	4 655 40	9 310 80	93 108	031 080	1 87	3 50
10½ to 11 years	1, 664. 40	0 328 80	03 288	032 880	1 02	3 53
11 to 11½ years	4, 676 30	9 352. 60	93 526	035, 260	1 97	3 55
11½ to 12 years	4 691 05	0 382 10	93 821	938 210	2 02	8 57
12 to 12½ years	4 708 85	9, 417 70	94, 177	941, 770	2. 07	3 59
12½ to 13 years	4, 722 75	9 445 50	94 455	944, 550	2 11	3 62
13 to 13½ years	4 739 15	9, 478 30	94 783	047, 830	2. 15	3 65
13½ to 14 years	4, 758 05	9, 510 10	95 161	951 610	2. 19	3 68
14 to 14½ years	4, 779 60	9, 559 20	95, 592	955, 920	2 23	3 70
14½ to 15 years	4 803 85	9, 607 70	96 077	960 770	2. 27	3 71
15 to 15½ years	4 830 85	9, 661 70	98 017	900 170	2 31	8 70
15½ to 16 years	4, 860 75	9 721 50	97 215	072, 150	2. 35	3 68
16 to 16½ years	–, 884 00	9 768 00	97 680	976, 800	2 38	8 71
16½ to 17 years	4, 909 50	9 819 00	08 190	981 900	2 41	3 75
17 to 17½ years	4 937 25	9 874 50	98, 745	987, 450	2. 44	3 79
17½ to 18 years	4 967 40	9, 934 80	09 348	993, 480	2 47	3 83
Maturity value (18 years from issue date)	5,000 00	10,000 00	100, 000	1 000 000	2, 50	

Allotments of 2½ percent Treasury bonds, Investment Series A–1965

[In thousands of dollars]

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston	56 815	Minneapolis	35 325
New York	397 795	Kansas City	31 245
Philadelphia	37 055	Dallas	5,725
Cleveland	22 185	El Paso	645
Cincinnati	12,975	Houston	4,475
Pittsburgh	13 140	San Antonio	4 590
Richmond	12,665	San Francisco	24,900
Baltimore	6 805	Los Angeles	16 545
Charlotte	4 285	Portland	2 455
Atlanta	3 335	Salt Lake City	2,050
Birmingham	8 030	Seattle	4,180
Jacksonville	4 485	Treasury	250
Nashville	4 810	Government investment accounts	[1] 100,000
New Orleans	4,545		
Chicago	131 995	Total	969 960
St Louis	21 645		
Little Rock	200		
Louisville	200		
Memphis	100		

[1] Allotment to Federal Deposit Insurance Corporation as partial replacement of substantial amount of 2½'s sold on market

Exhibit 9—Regulations, September 22, 1947, governing Treasury bonds, investment series

[Department Circular No 815 Public Debt]

TREASURY DEPARTMENT,
Washington, September 22, 1947

To Owners of Treasury Bonds, Investment Series, and Others Concerned

Pursuant to section 1 of the Second Liberty Bond Act, as amended (31 U S C 752), the following regulations applicable to Treasury bonds, Investment Series, are promulgated by the Secretary of the Treasury Regulations governing other United States bonds (including United States savings bonds) are not applicable to Treasury bonds, Investment Series, except as otherwise specifically provided in this circular

SUBPART A REGISTRATION AND RESTRICTIONS

Sec 326 1 *General*—Treasury bonds, Investment Series, are issued only in registered form in substantially the forms of registration set forth in section 326 3 The name and post office address of the owner will be inscribed thereon at the time of issue No designation of an attorney, agent, or other representative to request or receive payment on behalf of the owner, nor any restriction on the right of such owner to receive payment of the bond, other than as provided in these regulations, may be made in the registration or otherwise

Sec 326 2 *Restrictions*—

(a) *Eligible investors*—The bonds may be issued upon subscription only to the following organizations and funds doing business in the United States, its Territories and possessions[1] (1) Insurance companies, (2) savings banks, (3) savings and loan associations and building and loan associations and cooperative banks, (4) pension and retirement funds including those of the Federal, State, and local governments, (5) fraternal benefit associations, (6) endowment funds, (7) credit unions, (8) commercial and industrial banks (but only to such extent and under such conditions as may be provided specifically in official circulars governing the offering of these securities)

(b) *Limitation on amounts*—Subscriptions will be limited as specified in the official circulars governing each offering of the bonds

Sec 326 3 *Forms of registration*—Substantially the following forms of regis-

[1] The Secretary of the Treasury reserves the right to issue these bonds to Government investment accounts

tration are suggested and should ordinarily be used in requesting the issue of the bonds

(a) *Organizations (corporations and unincorporated associations)* —In the name of any eligible organization using in each case the full legal name of the organization [2] without mention of any officer or member by name or title, followed by the words "an unincorporated association", or "a_____________________ corporation' (place of incorporation) (as the case may be) The reference to the place of incorporation may be omitted for organizations incorporated under Federal law, for example, national banks, and when the place of incorporation is part of the organization's legal name

(b) *Endowment funds* —Where the endowment funds consist in whole or in part of the general funds of the organization the bonds may be registered in accordance with the provisions of subsection (a), except that the place of incorporation need not be designated in the case of schools, colleges, and universities The parenthetical reference "(______ Endowment Fund)" should be inserted in the regis tration in such case In the case of an endowment fund held in trust for a special purpose the provisions of subsection (c) should be followed [3]

(c) *Private pension and retirement funds, and endowment funds held in trust* —In the name and title of the trustee, or in the names and title of all the trustees if there are more than one (accompanied by an adequate identifying reference to the trust) except that (1) registration in the title alone of the trustees is permitted, if they are authorized to act only as a board, for example "Board of Trustees of Western College in trust for the Library Endowment Fund under article III of its charter" and (2) all of the trustees need not be named if they are too numerous to be designated in the inscription by names and title, for example "John H Schneider, Second National Bank, et al , trustees under indenture dated July 2, 1942, for the Employees' Retirement Fund of the Acme Manufacturing Company, a Delaware Corporation" Wherever the name of a corporation ap pears in the registration the place of incorporation should be included

(d) *Public pension and retirement funds* —In the full title of the fund as adopted under the applicable State law, city ordinance, or other authority constituting the fund or in a short title for the fund (if desired) as shown, respectively, by the following examples "Board of Trustees of the Public School Retirement System of Missouri", or "Missouri Teachers' Retirement System" If a public officer holds legal title to the fund in trust the following form of registration is preferred "Treasurer, Green City, Wisconsin, in trust for the Police and Firemen's Pension Fund"

SUBPART B LIMITATION ON TRANSFER AND JUDICIAL PROCEEDINGS

Sec 326 4 *Not transferable* —The bonds are not transferable, and are payable only to the owners named thereon except in the case of authorized reissue or as otherwise specifically provided in these regulations They may not be sold, discounted, hypothecated as collateral for a loan, or pledged as security for the performance of an obligation or for any other purpose

Sec 326 5 *Judicial proceedings (judgment creditors, trustees in bankruptcy, receivers of insolvents' estates, etc)* —A claim against an owner of a bond will be recognized when established by valid judicial proceedings and payment (but not reissue) will be made upon presentation and surrender of the bond, except as follows

(1) No such proceedings will be recognized if they would give effect to an attempted voluntary transfer inter vivos of the bond

(2) Those acquiring bonds under this section, with the exception of a trustee in bankruptcy or a receiver of an insolvent's estate, will be limited to payment at the redemption value current 30 days after the termination of the judicial proceedings or current at the time the bond is surrendered for redemption, whichever is smaller

Sec 326 6 *Evidence necessary* —To establish the validity of judicial proceedings there must be submitted a certified copy of a final judgment or decree of court and of any necessary supplementary proceedings A trustee in bankruptcy should submit proof of his authority in the form of a certificate from the referee showing that he is the duly elected and qualified trustee, together with a certificate from the clerk of the United States District Court of the particular district, under seal, showing the incumbency of the referee and authenticating his signature

[2] Except that where title to the property of an organization is vested in trustees the bonds may be registered in the title of the trustees or board of trustees (as the case may be) if desired, for example "Trustees of Jamestown Lodge No 1000, Northeastern Fraternal Benefit Association "

[3] Where the endowment fund as such is incorporated, registration may be in the form prescribed in subsection (a) as in the case of any other corporation

SUBPART C LOST, STOLEN, MUTILATED, DEFACED, OR DESTROYED BONDS

Sec 326 7 *Relief in case of loss, theft, mutilation, defacement, or destruction* —Under the provisions of sec 8, 50 Stat 481, as amended (U S C 1940 Ed, title 31, sec 738a) and the regulations in Treasury Department Circular No 300, as amended, relief either by the issue of a substitute bond or by payment may be given in case of the loss, theft, mutilation, defacement, or destruction of a bond In any such case immediate notice of the facts, with a full description of the bond, should be given to the Treasury Department, Division of Loans and Currency, Washington 25, D C

SUBPART D INTEREST

Sec 326 8 *Interest* —Each bond bears interest at a specified rate computed on the face amount of the bond and payable semiannually beginning six months from the date of the bond Interest will be paid on each interest payment date by check drawn to the order of the registered owner in the same form as the inscription on the bond Full advantage of interest at the rate specified may be secured only if the bond is held to maturity If the bond is redeemed before maturity, the difference between the face or full maturity value and the current redemption value then payable in accordance with the table printed on each bond will represent an adjustment of interest to the rate appropriate for the shorter term, as set forth in the table attached to the circular announcing the offering of the bonds

(a) *Change of address* —An owner should promptly notify the Treasury Department, Division of Loans and Currency, Washington 25, D C, of any change in the address for delivery of interest checks The notice should refer to all bonds for which it is desired that the address be changed and should describe each bond by date, series, serial number, maturity value, and inscription appearing on the face of the bond

(b) *Reissue during interest period* —If a bond is reissued between interest payment dates, interest for the entire period will be paid on the next interest payment date to the owner in whose name the bond is reissued Ordinarily, if a bond is received for reissue less than one month prior to an interest payment date, reissue cannot be effected until after such interest payment date

(c) *Termination of interest* —In case of redemption prior to maturity, interest will cease on the last day of the interest period next preceding the date of redemption For example, if a bond on which interest is payable on April 1 and October 1 is redeemed on December 1, 1948, interest will cease on October 1, 1948, and no adjustment will be made on account of the failure to receive interest for the period from October 1 to December 1, 1948 In case of authorized reissue, the interest on the original bond will cease on the last day of the interest period next preceding the date of reissue and interest on the new bond will begin on the following day The same rules shall apply in case of partial redemption or partial reissue with respect to the amount redeemed or reissued

(d) *Loss or nonreceipt of check* —If an interest check is not received within a reasonable time after an interest payment date or is lost after receipt, the Treasury Department, Division of Loans and Currency, Washington 25, D C, should be notified of the facts and should be given information concerning the amount, number and inscription of the bond, as well as a description of the check, if possible, in case of loss after the check is received Appropriate instructions will then be given

SUBPART E GENERAL PAYMENT AND REDEMPTION PROVISIONS

Sec 326 9 *Payment, redemption, partial redemption* —

(a) *Payment at maturity* —Pursuant to its terms a bond of the Investment Series will be paid at or after maturity at its full face or maturity value, but only following presentation and surrender of the bond for that purpose

(b) *Redemption before maturity* —A bond may not be called for redemption by the Secretary of the Treasury prior to its maturity but may be redeemed in whole or in part on one month's notice in writing on the first day of any month not less than six months from the issue date at the appropriate redemption value as shown in the table printed on the bond The owner's option to redeem may be shown by a signed request for payment or express written notice and payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice by the Treasury Department, Division of Loans and Currency, Washington 25, D C, or by a Federal Reserve Bank If express

notice is given, the bond must be surrendered to the same agency to which the notice is given not less than 20 days before the effective redemption date

(c) *Partial redemption*—Partial redemption in multiples of the minimum denomination, at current redemption value, will be permitted upon presentation and surrender of the bond to a Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Washington 25, D C, all in accordance with this subpart In any case in which partial redemption is desired the request for payment should be modified by adding to the first sentence thereof the words "to the extent of $---------- (maturity value) and reissue of the remainder" In case of partial redemption the remainder will be reissued in authorized denominations as of the original date

Sec 326 10 *Form and execution of requests for payment*—Unless otherwise authorized in a particular case a request for payment of a bond whether made prior to, at, or after maturity must be executed on the form appearing on the back of the bond to be surrendered and ordinarily will not be accepted if executed more than six months before the date of the receipt of the bond for redemption The request must be executed by the registered owner or by such other person as may be entitled to request payment under the provisions of these regulations The signature must be affixed in the presence of one of the officers authorized to certify requests, who should thereafter complete the request by signing over his official title in the appropriate place and impressing the required seal and giving the date of execution

(a) *Certifying officers*—The following officers are authorized to certify requests for payment

(1) *At banks, trust companies and branches*—Any officer of any bank or trust company incorporated in the United States or its organized Territories, or domestic or foreign branch of such bank or trust company including those doing business in the organized Territories or insular possessions of the United States and the Canal Zone under Federal charter or organized under Federal law, any officer of a Federal Reserve Bank or branch, a Federal land bank and Federal home loan bank Certification by any of these officers should be authenticated by a legible impression of the corporate seal of the bank or trust company

(2) *United States officials*—Judges, clerks and deputy clerks of United States courts, including United States courts for the organized Territories, insular possessions and the Canal Zone

(3) *Treasury Department*—Certain officers of the Treasury Department at Washington, D C

(b) *Instructions to certifying officers*—Certifying officers should require positive identification of persons signing requests for payment and will be held fully responsible therefor In all cases a certifying officer must affix to the certification his official signature, title, address, and seal and the date of execution If a certifying officer does not possess an official seal that fact should be made known and attested An officer of a bank or trust company who executes the request for payment in behalf of the bank or trust company should not certify his own signature It should be certified by another officer

(c) *Presentation and surrender*—After the request for payment has been duly signed by the owner and certified as above provided, the bond should be presented and surrendered to a Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Washington 25, D C, at the risk and expense of the owner, and for such owner's protection the bonds should be forwarded by registered mail if not presented in person Payment will be made by check drawn to the order of the registered owner or person shown to be entitled to the bond and mailed to the address given in the request for payment

Sec 326 11 *Nonreceipt or loss of checks issued in payment*—If a check issued in payment of a bond surrendered for redemption is not received within a reasonable time, or in case such check is lost after receipt, notice should be given to the same agency to which the bond was surrendered for payment with information concerning the amount, number and inscription of the bond, as well as a description of the check, if possible, in case of loss after the check is received Appropriate instructions will then be given

SUBPART F GENERAL REISSUE AND DENOMINATIONAL EXCHANGE

Sec 326 12 *Reissue*—

(a) *When permitted*—Reissue of a bond in a different name or in a different form of registration will be made only in the following instances

(1) To correct an error in the original issue upon appropriate request supported by satisfactory proof of such error,

(2) To show a change in the name of an owner upon the owner's request supported by satisfactory proof of the change of name,

(3) As otherwise specifically provided in these regulations

(b) *Requests for reissue* —Requests for reissue should be made on appropriate forms, which may be obtained from any Federal Reserve Bank or from the Treasury Department, Division of Loans and Currency, Washington 25, D C, and should be signed by the persons authorized under these regulations to make such requests A request for reissue must be signed in the presence of and be certified by an officer authorized under Subpart E to certify requests for payment

(c) *Date of bonds on reissue* —The new bonds will be of the same series, will bear the same date, and will have the same rights and privileges as the bonds surrendered

Sec 326 13 *Denominational exchange* —Exchange as between authorized denominations will not be permitted except in cases of partial redemption or authorized reissue

SUBPART G PAYMENT AND REISSUE TO ORGANIZATIONS, FUNDS, AND TRUSTEES

Sec 326 14 *Payment to corporations or unincorporated associations* —A bond registered in the name of a corporation or an unincorporated association will be paid to such corporation or unincorporated association upon request for payment on its behalf by a duly authorized officer therof The signature to the request should be in the form for example, "Horizon Life Insurance Company, by William A Smith, President", or "Weatherton Fraternal Benefit Association by John Jones, Treasurer" A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority

Sec 326 15 *Reissue or payment to successors of corporations, unincorporated associations and funds —Dissolution* —

(a) *Reissue or payment to successors* —A bond registered in the name of a corporation or an unincorporated association or fund which has been succoded by another corporation or unicorporated association or fund by operation of law or otherwise, as the result of merger, consolidation, reincorporation, conversion, reorganization, or in any manner whereby the business or activities of the original organization or fund are continued without substantial change, will be paid to, or reissued in the name of, the successor upon appropriate request on its behalf and satisfactory proof of lawful successorship

(b) *Dissolution* —If the organization or fund has been dissolved before redemption of the bonds the persons acquiring title to the assets of the organization or fund including the bonds will be entitled only to the redemption value of the bonds current 30 days after the date of dissolution, or at the time the bonds are presented and surrendered for redemption, whichever is smaller In most cases it will be simpler for the organization or fund to present the bonds for redemption prior to dissolution

Sec 326 16 *Payment to trustees* —A bond registered in the name of a trustee, or otherwise belonging to a trustee in his capacity as such, will be paid to the trustee upon his request A request for payment before maturity must be signed by all acting trustees unless, by express statute or decree of court or by the terms of the instrument under which they are acting, some one or more of them may properly execute the request A request for payment at maturity signed by any one or more acting trustees will be accepted, but payment will be made to all If the bond is registered in the names of trustees who are still acting, no further evidence of authority will be required In other cases the request for payment must be supported by evidence as specified below

(a) *Trustees—by title only* —If the bond is registered in the titles without the names of the trustees, satisfactory proof of their incumbency must be furnished, except in the case of public officers

(b) *Succeeding trustees* —If the trustees in whose names the bonds are registered have been succeeded by other trustees, satisfactory proof of successorship must be furnished

(c) *Boards, public bodies, etc* —If the trustees consist of a board or public body, or are otherwise empowered to act as a unit, a request for payment before maturity must be signed in the name of the board or other body by an authorized officer or agent thereof or by all members of the board or other body A request executed by an officer or agent must be supported by a duly certified copy of a resolution

of the board or other body authorizing such action or by a duly certified copy of the trust instrument or excerpt therefrom showing the authority for such action, except that in the case of a public board or other public body a request signed in its name by an authorized officer thereof and duly certified will ordinarily be accepted without further proof of his authority A request signed by all members of a private board or other private body acting as trustee must be supported by a duly executed certificate of incumbency

(d) *Corporate trustees* —If a public or private corporation or a political body, such as a State or county, is trustee, a request for payment must be signed in the name of the corporation or other body as trustee by an authorized officer thereof A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority

Sec 326 17 *Reissue in the name of a succeeding trustee* —If a trustee in whose name a bond is registered has been succeeded by another, the bond will be reissued in the name of the succeeding trustee upon appropriate request and satisfactory proof of successorship

SUBPART H PROCEDURAL RULES

Sec 326 18 *Explanation* —Rules of a procedural nature pertaining to payment or reissue and relief on account of loss, theft, etc , have been set forth in the foregoing subparts with the substantive rules to which they apply Other procedural rules are set forth in the following sections

Sec 326 19 *Correspondence, certificates, notices, and forms* —The Treasury Department, Division of Loans and Currency, Washington 25, D C , is charged with all matters concerning Treasury bonds, Investment Series In the same connection the Federal Reserve Banks, as fiscal agents of the United States, and their branches, are utilized Correspondence regarding transactions within the scope of these regulations, certificates of court and other certificates required hereunder, notices of intention to redeem and the like (which must be in writing) and any other appropriate forms or documents should be addressed accordingly (and where necessary the bonds should be presented and surrendered therewith), except that any specific instructions given elsewhere in this circular for addressing particular transactions should be observed Notices or documents not so submitted, or on file in the Treasury Department elsewhere than with the Division of Loans and Currency, Washington 25, D C will not be recognized Appropriate forms for use in connection with transactions may be obtained from any Federal Reserve Bank or from the Treasury Department, Division of Loans and Currency, Washington 25, D C

(a) *Additional proof—Bond of indemnity* —The Secretary of the Treasury in any case arising under these regulations may require such additional proof as he may consider necessary or advisable in the premises, and may require a bond of indemnity with satisfactory sureties, or an agreement of indemnity, in any case where he may consider such a bond or agreement necessary for the protection of the interests of the United States

(b) *Federal Reserve Banks* —Usually transactions will be expedited by the use of the Federal Reserve Banks,[4] as fiscal agents of the United States, and their branches

SUBPART I FURTHER PROVISIONS

Sec 326 20 *Supplements, amendments, or revisions* —The Secretary of the Treasury may at any time or from time to time prescribe additional, supplemental, amendatory, or revised rules and regulations governing Treasury bonds, Investment Series

A L M WIGGINS,
Acting Secretary of the Treasury

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[4] The Federal Reserve Banks are located at Boston New York Philadelphia Cleveland, Richmond Atlanta Chicago St Louis, Minneapolis Kansas City Dallas, and San Francisco

UNITED STATES SAVINGS BONDS AND ARMED FORCES LEAVE BONDS

Exhibit 10—Amendments to Department Circular No 530, Sixth Revision, prescribing regulations governing United States savings bonds

FIRST AMENDMENT, JULY 25, 1947

TREASURY DEPARTMENT,
Washington, July 25, 1947

To Owners of United States Savings Bonds and Others Concerned

Pursuant to section 22 (a) of the Second Liberty Bond Act, as amended (55 Stat 7, 31 U S C and Sup 757c), which authorizes the Secretary of the Treasury to issue United States savings bonds "in such manner and subject to such terms and conditions including any restrictions on their transfer, as the Secretary of the Treasury may from time to time prescribe," sections 315 14 of Subpart D, 315 23 of Subpart H, Subpart N, and section 315 50 of Subpart O of Department Circular No 530, Sixth Revision, dated February 13, 1945 (31 C F R 1945 Supp , 315), are hereby revised to read as follows

Sec 315 14 *Evidence necessary*—To establish the validity of judicial proceedings there must be submitted a certified copy of a final judgment or decree of court and of any necessary supplementary proceedings If the judgment or decree of court was rendered more than six months prior to presentation of the bond there must also be submitted a certificate from the clerk of the court, under the court's seal and dated within six months of the presentation of the bond, showing that the judgment or decree is in full force and effect A trustee in bankruptcy should submit proof of his authority in the form of a certificate from the referee showing that he is the duly elected and qualified trustee, together with a certificate from the clerk of the United States District Court of the particular district, under seal, showing the incumbency of the referee and authenticating his signature

Sec 315 23 *Redemption before maturity*—Pursuant to its terms, a savings bond may not be called for redemption by the Secretary of the Treasury prior to maturity, but may be redeemed in whole or in part at the option of the owner, prior to maturity, under the terms and conditions set forth in the offering circular of each series and in accordance with the provisions of these regulations following presentation and surrender as provided in this subpart

(a) *Series A, B, C, D, and E*—A bond of Series A, B, C, D, or E will be redeemed in whole or in part at any time after 60 days from the issue date without advance notice, at the appropriate redemption value as shown in the table printed on the bonds

(b) *Series F and G*—A bond of Series F or G will be redeemed in whole or in part, on or after six months from the issue date, at the appropriate redemption value as shown in the table printed on the bond, on one month's notice in writing to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, or a Federal Reserve Bank Such notice may be given separately or by presenting and surrendering the bond with a duly executed request for payment thereof Payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice For example, if the notice is received on June 1, payment will be made as of July 1, but if notice is received between June 2 and July 1, inclusive, payment will be made as of August 1 If notice is given separately, the bond must be presented and surrendered with a duly executed request for payment to the same agency to which the notice is given not less than twenty days before the date on which payment is to be made For example, if the notice is received on June 15, the bond should be received not later than July 12 (See section 315 21 for provisions as to interest in case current income bonds are redeemed prior to maturity)

(c) *Series G—Redemption at par before maturity*—A bond of Series G (but not of Series F) will be redeemed at par before maturity in whole or in part, in amounts corresponding with authorized denominations, not less than six months from the issue date, (1) upon the death of an owner or coowner, if a natural person, or (2) upon the termination of a trust or other fiduciary estate by reason of the death of any person, if held by the trustee or other fiduciary, except that if the trust or fiduciary estate is terminated only in part, redemption at par will be made to the extent of not more than the pro rata portion of the trust or fiduciary estate so terminated Redemption will be made only following actual receipt of written notice of intention to redeem at par Such notice must be given in time to be

received in the ordinary course of mail by the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, or a Federal Reserve Bank within six months after the date of death of the owner or coowner or person whose death results in the termination of the trust or other fiduciary estate, unless the period within which notice must be received is extended in accordance with the provisions of this subsection Proof of the date of death must be furnished and the bond must be surrendered to the same agency to which notice of intention to redeem at par is given, but they need not accompany such notice Ordinarily, payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice, but payment may be postponed, upon request of the person presenting the bond, to the second interest payment date following the date of death, except as follows If the period within which notice must be received is extended beyond such interest payment date, in accordance with the provisions of this subsection, and notice received thereafter is accepted, payment may, upon request, be postponed to the next interest payment date following the date of receipt of notice The period within which notice must be received may be extended in any particular case upon presentation of satisfactory proof that notice could not seasonably be given by reason of litigation or delay in the appointment of a legal representative of the estate or in the receipt of notice of death

(d) *Withdrawal of request for redemption* —An owner who has presented and surrendered a savings bond to the Treasury Department or a Federal Reserve Bank for payment with an appropriate request for payment may withdraw such request if notice of intent to withdraw is given to and received by the same agency to which the bond was presented, prior to the issuance of the check in payment Under these same conditions an executor or administrator may withdraw a request for redemption executed by the owner and presented and surrendered to the Treasury Department or a Federal Reserve Bank prior to the owner's death, except where the presentation and surrender of the bond has cut off the rights of survivorship under the provisions of Subpart L or Subpart M The terms "presented and surrendered" as used in this subsection mean the actual receipt of the bond by the Treasury Department or a Federal Reserve Bank during the lifetime of the owner

SUBPART N DECEASED OWNERS

Sec 315 47 *Payment or reissue on death of owner* —Upon the death of the owner of a savings bond who was not survived by a coowner or designated beneficiary and who had not during his lifetime presented and surrendered the bond to a Federal Reserve Bank or the Treasury Department for an authorized reissue, the bond will be considered as belonging to his estate and will be paid or reissued accordingly, as hereinafter provided, except that reissue under the provisions of this subpart will not be made to a creditor In any case, reissue will be restricted to a form of registration permitted by the regulations in effect on the date of original issue of the bond, but the person entitled to the bond may hold it without change of registration and will have the right to payment before or at maturity The provisions of this section shall also apply to savings bonds registered in the names of executors or administrators, except that proof of their appointment and qualification may not be required Established forms for use in such cases and for requests for payment or reissue may be obtained from any Federal Reserve Bank or from the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, and should be used in every instance

(a) *In course of administration* —If the estate of the decedent is being administered in a court of competent jurisdiction, the bond will be paid to the duly qualified representative of the estate or will be reissued in the names of the persons entitled to share in the estate, upon request of the duly appointed and qualified representative of the estate and compliance with the following conditions

(1) Where there are two or more legal representatives, all must unite in the request for payment or reissue, unless by express statute or decree of court, or by testamentary provision, some one or more of them may properly execute the request

(2) The request for payment or reissue should be signed in the form, for example "John A Jones, administrator of the estate (or executor of the will) of Henry W Jones, deceased," and must be supported by proof of the representative's authority in the form of a court certificate or a certified copy of the representative's letters of appointment issued by the court having jurisdiction The certificate, or the certi-

fication to the letters, must be under seal of the court, and, except in the case of a corporate representative, must contain a statement that the appointment is in full force and should be dated within six months of the date of presentation of the bond, unless the certificate or letters show that the appointment was made within one year immediately prior to such presentation

(3) In case of reissue the personal representative should certify that the persons named are entitled to share in the estate to the extent specified for each and have consented to such reissue A request for reissue by an individual legal representative should be made on Form PD 1455 and a request by a corporate representative should be made on Form PD 1498 If a person in whose name reissue is requested desires to name a coowner or beneficiary, such person should execute an additional request for that purpose, using Form PD 1787

(b) *After settlement through court proceedings* —If the estate of the decedent has been settled in a court of competent jurisdiction, the bond will be paid to or reissued in the name of the person entitled thereto as determined by the court The request for payment or reissue should be made by the person shown to be entitled and supported by duly certified copies of the representative's final account and the decree of distribution or other pertinent court records, supplemented, if there are two or more persons having an apparent interest in the bonds, by an agreement executed by them

(c) *Without administration* —If no legal representative of the decedent's estate has been or is to be appointed and the amount of savings bonds belonging to the estate does not exceed $250 (maturity value), or if it is established to the satisfaction of the Secretary of the Treasury that the gross value of the personal estate of the decedent does not exceed $500 or that administration of the estate is not required in the State of the decedent's last domicile, the bond will be paid to or reissued in the names of the persons entitled, pursuant to an agreement and request by all persons entitled to share in the estate, executed on the form prescribed by the Treasury Department and supported by the evidence called for by such form Application for the appropriate form to be used hereunder may be made to any Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois The applicant should state whether or not the amount of bonds belonging to the decedent's estate is in excess of $250 (maturity value) If any of the persons entitled are minors or incompetents payment or reissue of a bond will not be permitted without administration, except to them or in their names unless their interests are otherwise protected to the satisfaction of the Secretary of the Treasury

Sec 315 50 *Reissue or payment to person entitled* —(a) *Distribution of trust estate in kind* —A savings bond to which a beneficiary of a trust estate has become lawfully entitled in his own right or in a fiduciary capacity, in whole or in part, under the terms of the trust instrument, will be reissued in his name to the extent of his interest as a distribution in kind upon the request of the trustee or trustees and their certification that such person is entitled and has agreed to reissue in his name If the form in which the bond is registered does not show that it belongs to a trust estate, the request for reissue must be supported by satisfactory proof of ownership

(b) *After termination of trust estate* —If the person who would be lawfully entitled to a savings bond upon the termination of a trust does not desire to have such distribution to him in kind, as provided in the next preceding subsection, the trustee or trustees should redeem the bond in accordance with the provisions of section 315 48 before the estate is terminated If, however, the estate is terminated without such payment or reissue having been made, the bond will thereafter be paid to or reissued in the name of the person lawfully entitled upon his request and satisfactory proof of ownership, supplemented, if there are two or more persons having any apparent interest in the bond, by an agreement executed by all such persons

(c) *Upon termination of guardianship estate* —A savings bond registered in the name of a guardian or similar legal representative of the estate of a minor or incompetent, if the estate is terminated during the ward's lifetime, will be reissued in the name of the former ward upon the representative's request and certification that the former ward is entitled and has agreed to reissue in his name, or will be paid to or reissued in the name of the former ward upon his own request, supported in either case by satisfactory proof that his disability has been removed Certification by the representative that a former minor has attained his majority, or that the legal disability of a female ward has been removed by marriage, if

the State law so provides, will ordinarily be accepted as sufficient, but if the disability is removed by court order a duly certified copy of the order will be necessary Upon the death of the ward a bond registered in the name of his guardian or similar representative will be reissued in accordance with the provisions of Subpart N as though it were registered in the name of the ward alone

A L M WIGGINS,
Acting Secretary of the Treasury

[Second amendment, Dec 31, 1947, and third amendment, Mar 18 1948, are omitted here They were superseded by the fourth amendment, which follows]

FOURTH AMENDMENT, JUNE 25, 1948

TREASURY DEPARTMENT,
Washington, June 25, 1948

To Owners of United States Savings Bonds and Others Concerned

Pursuant to section 22 (a) of the Second Liberty Bond Act, as amended (55 Stat 7, 31 U S C and Supp 757c), Subpart C of Department Circular No 530, Sixth Revision, dated February 13, 1945 (31 CFR 1945 Supp , 315), as amended, is hereby further amended [1] and revised to read as follows

SUBPART C LIMITATION ON HOLDINGS

Sec 315 8 *Amount which may be held*—As provided by section 22 of the Second Liberty Bond Act, as added February 4, 1935 (U S C 1946 Ed , title 31, section 757c), and by regulations prescribed by the Secretary of the Treasury pursuant to the authority of that section, as amended by the Public Debt Act of 1941, 55 Stat 7, the amounts of savings bonds of the several series issued during any one calendar year that may be held by any one person at any one time are limited as follows

(a) *Series A, B, C, and D*—$10,000 (maturity value) of each series for each calendar year

(b) *Series E*—$5,000 (maturity value) for each calendar year up to and including the calendar year 1947, and $10,000 (maturity value) for each calendar year thereafter

(c) *Series F and G*—$50,000 (issue price) for the calendar year 1941, and $100,000 (issue price) for each calendar year thereafter, of either series or of the combined aggregate of both, except that, in the case of commercial banks authorized to acquire such bonds in accordance with section 315 5, the limitation shall be such as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities, but in no event in excess of $100,000 (issue price) for any calendar year

(d) *Special limitation for Series F and G bonds purchased by institutional investors and commercial banks from July 1 through July 15, 1948*—$1,000,000 (issue price) of either series or of the combined aggregate of both for institutional investors holding savings, insurance and pension funds and $100,000 (issue price) of either series or of the combined aggregate of both for commercial and industrial banks holding savings deposits or issuing time certificates of deposit in the names of individuals and of corporations, associations, and other organizations not operated for profit, subject to the following conditions

(1) For the purposes of this subsection the classes of institutional investors will be limited to (i) insurance companies, (ii) savings banks, (iii) savings and loan associations and building and loan associations, and cooperative banks, (iv) pension and retirement funds, including those of the Federal, State, and local governments, (v) fraternal benefit associations, (vi) endowment funds, and (vii) credit unions

(2) Any bonds of Series F–1948 and Series G–1948 purchased under this special limitation, including any bonds in excess of $100,000 (issue price) purchased by eligible institutional investors, must be purchased during the period from July 1 through July 15, 1948

The regulations set forth in this circular are hereby modified to accord with the provisions of subsection (d) of this section

Sec 315 9 *Calculation of amount* —In computing the amount of savings bonds of any one series issued during any one calendar year held by any one person at any one time for the purpose of determining whether the amount is in excess of the authorized limit as set forth in the next preceding section, the following rules shall govern

(a) The term "person" shall mean any legal entity, including but not limited to an individual, a partnership, a corporation (public or private), an unincorporated association or a trust estate, and the holdings of each person, individually and in a fiduciary capacity, shall be computed separately

(b) In the case of bonds of Series A, B, C, D, and E, the computation shall be based upon maturity values In the case of bonds of Series F and G the computation shall be based upon issue prices

(c) Except as provided in subsection (d), there must be taken into account (1) all bonds originally issued to and registered in the name of that person alone, (2) all bonds originally issued to and registered in the name of that person as coowner or reissued, at the request of the original owner, to add the name of that person as coowner or to designate him as coowner instead of as beneficiary under the provisions of this circular, except that the amount of bonds of Series E held in coownership form may be applied to the holdings of either of the coowners, but will not be applied to both, or the amount may be apportioned between them, and (3) all bonds acquired by him before March 1, 1941, upon the death of another or the happening of any other event

(d) There need not be taken into account (1) bonds of which that person is merely the designated beneficiary, (2) those in which his interest is only that of a beneficiary under a trust, (3) those to which he is entitled as surviving designated beneficiary upon the death of the registered owner, as an heir or legatee of the deceased registered owner, or by virtue of the termination of a trust or the happening of any other event, unless he became entitled to any such bonds in his own right before March 1, 1941, or (4) with respect to bonds of Series E, those purchased with the proceeds of matured bonds of Series A and Series C–1938, where the Series A or Series C bonds were presented by an individual (natural person in his own right) owner or coowner for that purpose and the Series E bonds are registered in his name in any form of registration authorized for that series

(e) Nothing herein contained shall be construed to invalidate any holdings within or except as provided in subsection (c) above, to validate any holdings in excess of, the authorized limits, as computed under the regulations in force at the time such holdings were acquired

Sec 315 10 *Disposition of excess* —If any person at any time acquires savings bonds issued during any one calendar year in excess of the prescribed amount, the excess must be immediately surrendered for refund of the purchase price, less (in the case of Series G bonds) any interest which may have been paid thereon, or for such other adjustment as may be possible

John W Snyder,
Secretary of the Treasury

Exhibit 11 —First amendment, March 18, 1948, to Department Circular No 653, Second Revision, relating to Series E savings bonds

Treasury Department,
Washington, March 18, 1948

Pursuant to section 22 (a) of the Second Liberty Bond Act, as amended (55 Stat 7, 31 U S C and Supp 757c), section IV, paragraph 1 of Department Circular No 653, Second Revision, dated August 31, 1943 (31 CFR 1943 Supp , 316), as supplemented, is hereby amended to read as follows

IV LIMITATION ON HOLDINGS

1 The amount of bonds of Series E originally issued during any one calendar year to any one person that may be held by that person at any one time shall not

exceed $5,000 (maturity value) for each calendar year up to and including the calendar year 1947, and $10,000 (maturity value) for each calendar year thereafter, computed in accordance with the provisions of the regulations governing United States savings bonds If any person at any time acquires savings bonds issued during any one calendar year in excess of the prescribed amount, the amount of such excess should immediately be surrendered for refund of the issue price

JOHN W SNYDER,
Secretary of the Treasury

Exhibit 12 —Third amendment, June 25, 1948, to Department Circular No 654, Second Revision, relating to Series F and G savings bonds

TREASURY DEPARTMENT,
Washington, June 25, 1948

Section IV and section V of Department Circular No 654, Second Revision, dated January 1, 1944, as amended, are hereby further amended to read as follows

IV LIMITATION ON HOLDINGS

1 The amount of United States savings bonds of Series F, or of Series G, or the combined aggregate amount of both series originally issued during any one calendar year to any one person, including those registered in the name of that person alone, and those registered in the name of that person with another named as coowner, that may be held by that person at any one time shall not exceed $100,000 (issue price), except as provided in paragraph 2 Commercial banks (which are defined for this purpose as those accepting demand deposits) are not authorized to acquire savings bonds of Series F or Series G, except as provided in paragraph 2, or (in accordance with the provisions of V, 1 (2) hereof) in official circulars governing the offering of other Treasury securities [1]

2 For the period from July 1, 1948, through July 15, 1948, there is hereby provided for certain classes of institutional investors, and for certain commercial and industrial banks, a special limitation on holdings as follows

(1) The limitation will be $1,000,000 (issue price) of United States savings bonds of Series F or Series G or the combined aggregate of both for institutional investors holding savings, insurance and pension funds, and $100,000 (issue price) of either series or of the combined aggregate of both for commercial and industrial banks holding savings deposits or issuing time certificates of deposit in the names of individuals and of corporations, associations and other organizations not operated for profit

(2) For the purposes of this special limitation the classes of institutional investors will be limited to (i) insurance companies, (ii) savings banks, (iii) savings and loan associations and building and loan associations, and cooperative banks, (iv) pension and retirement funds, including those of the Federal, State, and local governments, (v) fraternal benefit associations, (vi) endowment funds, and (vii) credit unions

(3) Any bonds of Series F–1948 and Series G–1948 purchased under this special limitation, including any bonds in excess of $100,000 (issue price) purchased by eligible institutional investors, must be purchased during the period from July 1 through July 15, 1948

3 Any bonds acquired on original issue which create an excess must immediately be surrendered for refund of the issue price, as provided in the regulations governing savings bonds

V AUTHORIZED FORMS OF REGISTRATION

1 United States savings bonds of Series F and Series G may be registered only in one of the following forms

(1) In the names of natural persons (that is, individuals), whether adults or minors, in their own right, as follows (a) In the name of one person, (b) in the names of two (but not more than two) persons as coowners, and (c) in the name of one person payable on death to one (but not more than one) other designated person

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[1] Circulars heretofore issued making provisions for subscription to Series F and Series G bonds by commercial banks are numbered as follows 720 and 740, offering 2½% Treasury bonds of 1965–70 730, offering 2¼% Treasury bonds of [illegible] 741 and 746 offering 2% Treasury bonds of 1952–54, 755, offering 2½% Treasury bonds of [illegible] 77[illegible], offering [illegible]% Treasury bonds of [illegible] 776 offering 2½% Treasury bonds of 19[illegible]–72 and 777 offering 2¼% Treasury bonds of 19[illegible]–[illegible]

(2) In the name of an incorporated or unincorporated body in its own right, but may not be registered in the names of commercial banks, which are defined for this purpose as those accepting demand deposits, except as provided in IV, 2 of this circular or to such extent and under such conditions as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities

(3) In the name of a fiduciary (except where the fiduciary would hold the bonds merely or principally as security for the performance of a duty or obligation)

(4) In the name of the owner or custodian of public funds

2 *Restrictions* —Only residents (whether individuals or others) of the United States (which for the purposes of this section shall include the Territories, insular possessions, and the Canal Zone), citizens of the United States temporarily residing abroad and nonresident aliens employed in the United States by the Federal Government or an agency thereof may be named as owners, coowners, or designated beneficiaries of savings bonds originally issued on or after April 1, 1940, or of authorized reissues thereof, except that such persons may name as coowners or beneficiaries of their bonds American citizens permanently residing abroad or nonresident aliens who are not citizens of enemy nations American citizens permanently residing abroad and nonresident aliens who become entitled to bonds under these regulations, by right of survivorship or otherwise upon the death of another, will have the right only to receive payment either at or before maturity

3 Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States savings bonds

JOHN W SNYDER,
Secretary of the Treasury

Exhibit 13 —Second revision, August 1, 1947, of Department Circular No 751, prescribing regulations for replacement out of fund established by Government Losses in Shipment Act of losses resulting from redemptions of United States savings bonds and armed forces leave bonds

TREASURY DEPARTMENT,
Washington, August 1, 1947

Department Circular No 751, Revised, dated June 30, 1945 (31 C F R 1945 Supp 322), is hereby amended in order to include armed forces leave bonds That circular is issued as a Second Revision to read as follows

SUBPART A REGULATIONS PRESCRIBED

Sec 322 1 *Application of regulations* —Pursuant to the authority of section 22 (i) of the Second Liberty Bond Act, as amended (59 Stat 47, 31 U S C and Supp 757c (i)), and the Armed Forces Leave Act of 1946, as amended by Pub Law No 254, 80th Cong, the following regulations are hereby prescribed for the replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses to the United States resulting from payments made in connection with the redemption of United States savings bonds and armed forces leave bonds, and shall apply to losses resulting from payments made (1) by the Treasurer of the United States, (2) by any Federal Reserve Bank or branch, as fiscal agent of the United States, and (3) by any bank or other financial institution duly qualified as a paying agent pursuant to Treasury Department Circulars No 750, Revised, or No 811

SUBPART B REPORTS OF LOSSES

Sec 322 2 *Loss to the United States* —A loss to the United States may result from an erroneous (or unauthorized) payment in connection with the redemption of the bonds

Sec 322 3 *Erroneous payments reported to or discovered by Federal Reserve Banks* —If a financial institution, qualified to pay savings bonds or armed forces leave bonds, finds an erroneous payment to have been made, either before or after the bonds have been forwarded to the Federal Reserve Bank, immediate report thereof should be made to the Federal Reserve Bank Any such erroneous payments so reported, and any other erroneous payments found by a Federal Reserve Bank of bonds received from a duly qualified paying agent shall, so far as possible,

be adjusted between the Federal Reserve Bank and the paying agent concerned

Sec 322 4 *Report to Treasury of cases involving erroneous payments* —Any such erroneous payments which cannot be adjusted by a Federal Reserve Bank and any other erroneous payments found after the account of the Treasurer of the United States has been charged shall immediately be reported by the Federal Reserve Bank to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, in the case of savings bonds or, in the case of armed forces leave bonds, to the Division of Loans and Currency, Washington 25, D C

SUBPART C FINAL DETERMINATION OF LOSSES

Sec 322 5 *Reported erroneous payment, general action by Treasury* —Following receipt of the report of an erroneous payment, the Treasury Department will appropriately advise the paying agent concerned, unless such action is unnecessary The Department shall determine whether or not appropriate adjustment may be effected with the persons concerned in the erroneous payment and in this connection will expect the cooperation of the paying agent, if necessary

(a) If it is determined that no loss to the United States will occur the paying agent will be so advised

(*b*) If it is determined that a final loss to the United States has occurred, the paying agent will be given every opportunity to present the full facts relating to the payment for consideration of the Secretary of the Treasury If the Secretary shall determine that the final loss resulted from no fault or negligence on the part of the paying agent, notice to that effect will be given the paying agent and he will be relieved from liability to the United States If, however, the Secretary of the Treasury is unable to find that the loss resulted from no fault or negligence on the part of the paying agent, notice to that effect will be given such paying agent, who will be expected to make prompt restitution

Sec 322 6 *Restitution by paying agents* —In no case will the Treasurer of the United States, a Federal Reserve Bank (including any of its branches), or the financial institution qualified as a paying agent, whichever made the erroneous payment, be called upon to make restitution unless and until the Secretary has determined that a final loss has occurred as a result of an erroneous payment, and is unable to find that such loss resulted from no fault or negligence on the part of the paying agent

SUBPART D REPLACEMENT OF LOSSES OUT OF FUND

Sec 322 7 *Replacement and recovery in connection with losses* —When it is established to the satisfaction of the Secretary of the Treasury that a loss has resulted from a payment made in connection with the redemption of a United States savings bond or an armed forces leave bond, the loss shall be subject to immediate replacement out of the fund established by the Government Losses in Shipment Act, as amended Any recovery or repayment on account of any such loss as to which replacement shall have been made out of the fund, shall be credited to the fund

SUBPART E INVESTIGATION OF LOSSES

Sec 322 8 *Use of United States Secret Service* —The Treasury Department, and, in appropriate cases, Federal Reserve Banks, as fiscal agents of the United States, may request the Secret Service to investigate losses and assist in the recovery of improper payments The Treasurer of the United States, the Federal Reserve Banks, and qualified paying agents should cooperate with the Secret Service to the fullest extent in facilitating investigations and making recoveries and they will be expected to take such actions as may be necessary on their part to complete such investigations and recoveries

SUBPART F SUPPLEMENTS, AMENDMENTS, ETC

Sec 322 9 *Supplements, amendments, etc* —The Secretary of the Treasury may at any time or from time to time supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve Banks and to eligible financial institutions qualified to make payments of savings bonds or armed forces leave bonds under the provisions of Treasury Department Circulars No 750, Revised, and No 811, respectively

This revision will become effective on September 2, 1947

A L M WIGGINS,
Acting Secretary of the Treasury

Exhibit 14—First revision, August 1, 1947, of Department Circular No 793, prescribing regulations governing armed forces leave bonds [1]

TREASURY DEPARTMENT,
Washington, August 1, 1947

To Members and Former Members of the Armed Forces of the United States and Others Concerned

Armed forces leave bonds are issued pursuant to the Armed Forces Leave Act of 1946, as amended,[2] (hereinafter referred to as the act) to living members and living former members of the armed forces of the United States in settlement and compensation of accumulated leave under the conditions set forth in the act In accordance with the terms of the act these bonds are issued under authority and subject to the provisions of the Second Liberty Bond Act, as amended Pursuant to authority contained in said acts, Department Circular No 793, dated November 12, 1946 (31 CFR 1946 Supp, 324), which contains the regulations governing armed forces leave bonds, is hereby amended and issued as a First Revision to read as follows

I SUBSTANTIVE REGULATIONS

324 1 *Designation*—The bonds issued for the above purpose are designated "armed forces leave bonds"

324 2 *Issue and inscription*—Armed forces leave bonds are issued by the Secretary of the Treasury (hereinafter referred to as the Secretary) acting through the Army Navy, Marine Corps, and Coast Guard, which are designated as issuing agents They are inscribed only in the names of living members or living former members of the armed forces In each case a single bond in the highest appropriate multiple of $25 is issued where the amount due is $50 or more [3] The name and serial or service number of the owner will be inscribed on the bond and at the option of the issuing agent the address may also be inscribed No exchange will be permitted for bonds of lower denomination, for example, if a bond for $275 is issued to a particular owner he may not exchange that bond for a bond in the amount of $200 and a bond in the amount of $75

324 3 *Date and maturity of bond, and interest*—The issue date of a bond will be the first day of the quarter-year period (January 1, April 1, July 1, or October 1) next following the date of discharge from the armed forces of the former member whose name is to be inscribed thereon, provided he was discharged on or after January 1, 1943, and prior to September 1, 1946, or in case a member of the armed forces was still on active duty on September 1, 1946, his bond will be dated October 1, 1946 Each bond will mature five years from its issue date, but shall be redeemable in cash at any time after September 1, 1947, at the option of the owner, at full face value plus accrued interest Interest will accrue at the rate of 2½% per annum from the issue date to the date of maturity or to the last day of the month in which payment is made, whichever may be earlier Interest will be paid only with the principal sum

324 4 *Transfer and pledge*—The bonds are nontransferable by sale, exchange, assignment, pledge, hypothecation or otherwise, except that they may be assigned by the owner to the Administrator of Veterans' Affairs for redemption by such Administrator, for the purpose of paying premiums or the difference in reserve in case of conversion to insurance on another plan or a policy loan made prior to July 31, 1946, on a United States Government life insurance policy or a national service life insurance policy under such regulations as may be prescribed by the Administrator of Veterans' Affairs No claims by attempted transferees or by persons loaning money on the security of the bonds will be recognized

324 5 *Claims of creditors*—By the terms of the act the bonds are exempt from claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever Accordingly, no claims of creditors, assignees for the benefit of creditors, trustees or receivers in bankruptcy or equity will be recognized, and no pay-

[1] Section 324 13 hereof relates to payment of armed forces leave checks to survivors.
[2] Pub Law 704 79th Cong Amendatory act is Pub Law 254, 80th Cong
[3] Except that upon request settlement and compensation will be made entirely in cash to any applicant who has not made application for settlement and compensation and who makes application to the Secretary after July 26 1947, the date of enactment of the Amendatory Act The term 'Secretary as used in this footnote means in the case of personnel of the Army, the Secretary of War in the case of personnel of the Navy and Marine Corps the Secretary of the Navy, and in the case of personnel of the Coast Guard the Secretary of the Treasury, and the designated representatives of each such Secretary

ment of the bonds to any such persons will be made, either during the lifetime of the person whose name is inscribed on the bonds or after his death

324 6 *Assignment to the Administrator of Veterans' Affairs* —Any registered owner of an armed forces leave bond who desires to use his bond in payment of premiums or other payments in connection with United States Government life insurance or national service life insurance policies should mail or deliver his bond to the Office of the Veterans' Administration to which he pays his premiums The bond should be accompanied by a completed VA Form 9-1625, "Directions for use of Proceeds of Armed Forces Leave Bonds", obtainable at any Veterans' Administration Office Before submitting the bond to the Veterans' Administration the assignment form printed on the bottom of the back of the bond should be signed by the owner exactly as his name appears on the face of the bond No certification or witness to the signature of the owner on such assignment form will be required

324 7 *General payment and redemption provisions* —Armed forces leave bonds may be redeemed before, at, or after maturity, in accordance with the terms of this circular at face value plus accrued interest to the date of maturity or to the last day of the month in which payment is made whichever may be earlier Only payment of the entire amount will be permitted No partial payment and no reissue of the bond in part may be made No power of attorney to request payment in behalf of the registered owner will be recognized

324 8 *Payment to registered owner (general)* —At any time after September 1, 1947, an owner whose name is inscribed on the face of an armed forces leave bond may at his option redeem such bond at full face value plus accrued interest upon (1) presentation of the bond (unless marked "Duplicate") to any incorporated bank or trust company or other organization qualified as a paying agent under the provisions of Department Circular No 811 or any amendment thereto, (2) establishing his identity (preferably through use of original separation papers bearing his description and witnessed signature) to the satisfaction of the paying agent, and (3) signing the request for payment exactly as his name is inscribed on the face of the bond and adding his home or business address Even though the request for payment has been signed or signed and certified prior to the presentation of the bond, nevertheless, the paying agent is required to establish to its satisfaction the identity of the owner requesting payment and such paying agent may require the owner to sign again the request for payment No charge will be made to the owner

324 9 *Payment to registered owner (other cases)* —Registered owners to whom qualified paying agents are not readily accessible and those who have bonds marked "Duplicate" should sign the request for payment of their bonds in the presence of and have their signatures thereto duly certified by an authorized certifying officer and should present and surrender their bonds to the appropriate Federal Reserve Bank[4] or to the Treasurer of the United States, Washington 25, D C, except that bonds marked "Duplicate" should be forwarded to the Division of Loans and Currency, at the same address

(*a*) *Certification of request* —After the request for payment has been signed the certifying officer should complete and sign the certificate appearing at the end of the form for request for payment

(*b*) *Certifying officers* —The following officers are authorized to certify requests for payment of armed forces leave bonds

(1) *Designated officers* —Certain designated officers in the Treasury Department in Washington,

(2) *Banks, trust companies and branches* —Any officer of any bank or trust company incorporated in the United States or its organized territories, or domestic or foreign branch of such bank or trust company, including those doing business in the organized Territories or insular possessions of the United States under Federal charter or organized under Federal law, Federal Reserve Banks, Federal land banks, and Federal home loan banks, any employee of any such bank or trust company expressly authorized by the corporation for that purpose, who should sign over the title "Designated Employee", and Federal Reserve agents and assistant Federal Reserve agents, located in the several Federal Reserve Banks,

(3) *Veterans' home or hospital or other facility* —The officer in charge of any home, hospital, or other facility of the Veterans' Administration (only for patients and members of such facilities),

[4] The Federal Reserve Banks are located at Boston New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St Louis, Minneapolis, Kansas City, Dallas, and San Francisco

(4) *Foreign countries*—United States diplomatic and consular representatives, notaries public, if their official character and jurisdiction are certified by a United States diplomatic or consular officer over an impression of his rubber stamp, or by his certificate over his seal which should be transmitted with but should not be impressed on the bond itself (See also (5) hereof)

(5) *Armed forces*—Commissioned officers of the Army, Navy, Marine Corps, and Coast Guard of the United States for members of their establishments or civilian employees (and the families of such members or employees) under their jurisdiction, persons in countries in which there are no United States diplomatic or consular representatives and persons who are in areas remote from such representatives,

(6) *Issuing agents for savings bonds of Series E*—Any officer of a corporation which is a duly qualified issuing agent for savings bonds of Series E may certify a request for payment of an armed forces leave bond All certifications by such officers must be authenticated by a legible imprint of the issuing agent's dating stamp,

(7) *Special provisions*—The Commissioner and Associate Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, or a Federal Reserve Bank is authorized to make special provision for certification in any particular case in which none of the officers authorized to certify requests for payment of armed forces leave bonds is readily accessible

(c) *Instructions to certifying officers*—Certifying officers should require positive identification of the person signing a request for payment

324 10 *Right to payment on death of owner*—Upon the death of an owner of an armed forces leave bond the bond becomes payable only to his survivors in the following order

(a) Surviving wife or husband and children, if any, in equal shares,

(b) If such owner leaves no surviving spouse or children, then in equal shares to such owner's surviving parents, if any If there are no such survivors the bond will be retired and the amount covered into the general fund of the Treasury Accordingly, payment will not be made to an executor or administrator of the estate of a deceased registered owner, and if a bond should come into the possession of such an executor or administrator, or other person not a survivor, following the death of the owner it should be immediately delivered to one of the survivors if any, otherwise forwarded to the Division of Loans and Currency, Washington 25 D C, with a signed statement that there are no known survivors

324 11 *Payment to survivors*—Survivors of a deceased registered owner in the order provided in the preceding section are entitled to receive payment of an armed forces leave bond at their option and upon application to the Secretary of the Treasury at any time following the death of such registered owner, whether before, upon or after maturity of the bond Application for such payment should be made on Form PD 2066, copies of which may be obtained from any Federal Reserve Bank See section 324 15 for instructions as to filing the application

(a) *Definition of survivors*—Survivors are defined in the act as follows

(1) "Spouse" means a lawful wife or husband,

(2) "Children" include

(a) a legitimate child,

(b) a child legally adopted,

(c) a stepchild, if, at the time of death of the member or former member of the armed forces, such stepchild is a member of the deceased's household,

(d) an illegitimate child, but in the case of a male member or former male member of the armed forces only if he has been judicially ordered or decreed to contribute to such child's support, has been judicially decreed to be the putative father of such child, or has acknowledged under oath in writing that he is the father of such child, and

(e) a person to whom the member or former member of the armed forces at the time of death stands in loco parentis and so stood for not less than twelve months prior to the date of death,

(3) "Parent" includes father and mother, grandfather and grandmother stepfather and stepmother, father and mother through adoption, and persons who, for a period of not less than one year prior to the death of the member or former member of the armed forces, stood in loco parentis to such member or former member *Provided,* That not more than two parent may receive the benefits provided under this act, and preference shall b

given to the parent or parents, not exceeding two, who actually exercised parental relationship at the time of or most nearly prior to the date of the death of such member or former member of the armed forces

(b) *Payment only*—Only payment of the entire amount of the bond will be permitted No partial payment and no reissue of the bond in part may be made Payment in all cases will be made by separate checks drawn in the proper amounts to the individual survivors, except that in the case of a survivor under 17 years of age or under mental disability, the check will be drawn either to the guardian of such survivor, if the Secretary has received notice of the appointment of such guardian, or in the absence of such notice, to a proper person selected by the Secretary, for the use and benefit of such survivor, without the necessity of resorting to judicial proceedings for the appointment of a legal representative

(c) *All survivors must join*—Since no partial payment or reissue may be made, all survivors of the class entitled to receive payment must unite in the application, except that in the case of survivors under 17 years of age or under mental disability, legally qualified guardians, if any, may sign in their behalf, and in the absence of such legal guardians, such proper persons as the Secretary may select to act on behalf of such survivors

(d) *Time of vesting of survivors' rights*—A survivor's right to receive payment becomes fixed upon the date of the death of the owner If a survivor dies before receiving payment the right to receive payment of his or her share of the bond passes to the estate of such survivor For example, if the registered owner dies and leaves a widow and two children and the widow dies prior to receipt of payment, her share passes to her estate and payment of the bond will be made one-third to the widow's representative and one-third to each of the surviving children If no executor or administrator is appointed for the estate of a deceased survivor, settlement may be made in the same manner as provided for the settlement without administration of estates of deceased owners of United States registered bonds

324 12 *Loss, theft, destruction, mutilation, or defacement of bonds*—If an armed forces leave bond is lost, stolen, destroyed, mutilated or defaced, relief may be granted before maturity by the issue of a substitute bond to be marked "Duplicate", or at or after maturity by payment of the bond in accordance with the provisions of section 8 of the Government Losses in Shipment Act (U S C 1940 Ed, title 31, sec 738a) Relief in such cases will be governed by the regulations contained in Department Circular 300, as amended In any such case immediate notice of the facts, together with a complete description of the bond (including name and address of owner, bond serial number, amount, and issue date), should be given to the Treasury Department, Division of Loans and Currency, Washington 25, D C, which will forward appropriate forms for requesting relief, together with full instructions Usually such relief will be granted without requiring a bond of indemnity

324 13 *Checks*—

(a) Payment to survivors of checks issued to the registered owner (1) in full settlement of leave, (2) in payment of bonds, or (3) in payment of the odd amount due the member or former member of the armed forces over and above the bond issued in settlement of leave, will be made to the persons entitled as provided in the above regulations relating to bonds Accordingly, such checks received by executors or administrators of deceased registered owners should not be deposited for collection but should be turned over to the survivors or returned to the issuing office with a statement of the facts

(b) In the case of a survivor entitled to payment who dies before receiving and collecting the check issued in the name of the survivor, payment will be made to his estate

II PROCEDURE

324 14 *Presentation and surrender of bonds*—Presentation and surrender of an armed forces leave bond should be made in accordance with the applicable provisions of this circular The use of registered mail is suggested if the owner does not present and surrender the bond in person Bonds marked "Duplicate" issued in lieu of lost, stolen, destroyed, mutilated, or defaced bonds should be submitted to the Treasury Department, Division of Loans and Currency, Washington 25, D C

324 15 *Payment to survivors*—Survivors applying for payment under section 324 11 hereof should forward the bonds, accompanied by the applications on Form PD 2066, to the appropriate Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Washington 25, D C Usually payment

will be expedited by the use of the Federal Reserve Banks The form must be accompanied in each case by (1) a death certificate for the registered owner, (2) an explanation of any discrepancy between the name as given on the face of the bond and the name as given in the death certificate, and (3) in case of an application by parents other than the actual father and mother still living together, a signed and sworn statement giving the basis for the claim of parental relationship as defined in the act (see 324 11 hereof) The right is reserved to require other and further evidence in cases where such action appears desirable Federal Reserve Banks as fiscal agents of the United States are authorized to make payment to survivors upon applications in accordance with these regulations, but may submit any doubtful or unusual cases to the Treasury Department, Division of Loans and Currency, for final decision

324 16 *Designation of agents to make determination*—The various Federal Reserve Banks as fiscal agents of the United States, the Fiscal Assistant Secretary of the Treasury, the Assistant to the Fiscal Assistant Secretary, the Commissioner and Associate Commissioner of the Public Debt, and the Chief of the Division of Loans and Currency are designated to make determinations on behalf of the Secretary as provided in the act

III GENERAL

324 17 *Taxation*—Under the act all amounts paid or payable under section 6 in cash, bonds or both (except interest in the case of bonds) shall be exempt from taxation

324 18 *Address for communications*—All inquiries after issue in connection with the payment of or transactions in armed forces leave bonds should be addressed to the Federal Reserve Bank of the district in which the owner resides, or to the Treasury Department, Division of Loans and Currency, Washington 25, D C, except that any inquiries regarding the use of such bonds in connection with Government life insurance or national service life insurance payments should be addressed to the Office of the Veterans' Administration to which the assured has been paying premiums, or to the Director of Insurance Accounts Service, Veterans' Administration, Washington 25, D C

324 19 *Additional regulations*—The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory or revised rules and regulations governing armed forces leave bonds

This revision will become effective on September 2, 1947

A L M WIGGINS,
Acting Secretary of the Treasury

Exhibit 15—Regulations, August 1, 1947, governing payments by banks and other financial institutions in connection with the redemption of armed forces leave bonds

[Department Circular No 811 Public Debt]

TREASURY DEPARTMENT,
Washington, August 1, 1947

Pursuant to the authority of the Second Liberty Bond Act, as amended, the following regulations are hereby prescribed to govern payments by banks and other financial institutions in connection with the redemption of armed forces leave bonds

SUBPART A AUTHORITY TO ACT

Sec 325 1 *Financial institutions authorized to act*—Commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions which (*a*) are incorporated under Federal law or under the laws of a State, Territory or possession of the United States or the District of Columbia, (*b*) in the usual course of business accept, subject to withdrawal, funds for deposit or the purchase of shares, (*c*) are under the supervision of the banking department or equivalent authority of the jurisdiction in which incorporated, (*d*) maintain regular offices for the transaction of their business, and (*e*) are open daily and observe regular business hours, are eligible to become paying agents of armed forces leave bonds and, upon qualification in

accordance with section 325 2 hereof, are hereby authorized to make payments in connection with the redemption of armed forces leave bonds (hereinafter referred to as bonds), subject to the provisions of this circular and any instructions issued hereunder

Sec 325 2 *Application and qualification* —Federal Reserve Banks, as fiscal agents of the United States, are authorized to qualify eligible institutions hereunder, and to terminate any such qualification as hereinafter provided Any financial institution qualified as a paying agent of United States savings bonds is authorized hereunder to act as a paying agent of armed forces leave bonds The institution will not be required to effect a new formal Application-Agreement for the purpose The act of payment of an armed forces leave bond by a qualified paying agent of savings bonds will qualify it as a paying agent of armed forces leave bonds and will render it subject to the terms and conditions applicable to the payment of such bonds and subject to the same terms and conditions as are set forth in the Application-Agreement entered into by it as a paying agent of savings bonds Any other eligible institution not now qualified to pay savings bonds but possessing adequate authority under its charter that desires to qualify to make payments in connection with the redemption of the bonds should make application to the Federal Reserve Bank of the Federal Reserve district in which it is located [1] on Application-Agreement Form PD 2125, copies of which may be obtained from the appropriate Federal Reserve Bank If the application is approved, the Federal Reserve Bank will forward to the applicant a Notice of Qualification Form PD 2126, establishing that it is qualified to make payments in connection with the redemption of the bonds If the application is not approved, the applicant will be so advised in writing by the Federal Reserve Bank of the district

Sec 325 3 *Termination of an agent's qualification to pay bonds* —The Secretary of the Treasury or under authority of the Secretary the appropriate Federal Reserve Bank, as fiscal agent of the United States, may, by written notice, at any time and without previous demand or notice, terminate the qualification of any paying agent hereunder A duly qualified paying agent may discontinue making payments at any time upon written notice to the Federal Reserve Bank, and its qualification shall thereupon cease

SUBPART B GENERAL

Sec 325 4 *Meaning of terms in this circular* —For the purpose of this circular, unless otherwise indicated specifically, or by context, the terms

(*a*) "Paying agent(s)" or "agent(s)" shall mean any eligible financial institution duly qualified pursuant to the provisions of this circular to make payments in connection with the redemption of armed forces leave bonds including such branches located within the United States (including its Territories and possessions and the Canal Zone) and the Republic of the Philippines, as it may wish to utilize For the purpose of this circular the term "branches" shall include any bank facilities which may be established with the specific approval of the Treasury Department at Army and Navy installations and other places

(*b*) "Bond(s)" shall include only armed forces leave bonds unless otherwise indicated specifically or by context

(*c*) "Owner(s)" shall mean the living member or former member of the armed forces whose name is inscribed in his or her own right on a bond

(*d*) "Federal Reserve Bank" includes each Federal Reserve Bank and any branch thereof authorized by the parent Federal Reserve Bank to conduct any of the transactions in connection with which the term is used in this circular

Sec 325 5 *Reimbursement of agents' costs* —(*a*) Each paying agent shall be entitled to receive reimbursement for its service for all bonds paid and accounted for by it during the period from September 1, 1947, through December 31, 1947, at the rate of

15 cents each for the first 1,000 bonds
10 cents each for all over 1,000 bonds

Thereafter the number of armed forces leave bonds paid will be combined with the number of savings bonds paid in computing reimbursement In other words,

[1] For the purpose of this circular eligible [illegible] Puerto Rico [illegible] Virgin Islands and the Canal Zone [illegible] Federal Reserve District and [illegible] Federal Reserve Bank of New York [illegible] Hawaii and Guam [illegible] Federal Reserve District [illegible] make application to the Federal Reserve Bank of San Francisco

paying agents will be entitled to receive 15 cents each for the first 1,000 armed forces leave bonds and savings bonds combined paid and accounted for in each calendar quarter, and 10 cents each for all over 1,000 bonds of either kind paid and accounted for in that quarter Each Federal Reserve Bank is authorized to establish a definite and regular closing time for determining those paid bonds to be considered as accounted for in a reimbursable period Such closing time may be based upon a time that the paid bonds are forwarded to, or received by, the Federal Reserve Bank and shall be uniformly applied throughout the district of such Bank The scale of rates shall be applicable separately to the agent and to each of its branches utilized in making payments under this circular, if the bonds paid by each are separately scheduled and accounted for The payment of such amount as the agent is entitled to receive shall be made by the Federal Reserve Bank on behalf of the Treasury Department

(*b*) Paying agents shall not make any charge whatever to the owners of the bonds in connection with payments hereunder

Sec 325 6 *Announcements, etc , of authority to pay bonds* —Any announcement of or any reference to an agent's authority to pay bonds may be made only in a form or manner or contain such statements or substance as may be approved by the Secretary of the Treasury or, under authority of the Secretary, by the Federal Reserve Bank of the district, as fiscal agent of the United States

SUBPART C SCOPE OF AUTHORITY OF PAYING AGENTS

Sec 325 7 *General* —Only one armed forces leave bond has been or will be issued to any one living member or former member of the armed forces discharged under honorable conditions and otherwise entitled to receive a payment in such form (except for a very few instances where adjustments have been necessary after payment was made) That bond will be inscribed only in such member's name The lowest denomination bond authorized for issuance is $50 (except for $25 adjustment bonds) and higher denomination bonds are issued only in multiples of $25 The bonds are issued pursuant and subject to the terms of Treasury Department Circular No 793 The bonds are not transferable by sale, exchange assignment, pledge, hypothecation or otherwise except as they may be assigned to the Administrator of Veterans' Affairs pursuant to the Armed Forces Leave Act of 1946, as amended, and regulations prescribed by that Administrator pursuant thereto No claims by attempted transferees or by persons loaning money on the security of the bonds will be recognized By the terms of the Armed Forces Leave Act of 1946, as amended, the bonds are exempt from claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever Accordingly, no claims of creditors, assignees for the benefit of creditors, trustees or receivers in bankruptcy or equity will be recognized, and no payment of the bonds to any such persons will be made, either during the lifetime of the person whose name is inscribed on the bond or after his death Upon the death of an owner of a bond the bond becomes payable only to his survivors as defined in the Armed Forces Leave Act It is of the utmost importance that payment of the appropriate redemption value of the bonds be made only to and received by the persons entitled and strictly under the terms and conditions of the bonds and applicable regulations

Sec 325 8 *Payments—to owner named on bond* —Subject to the terms of the bonds and to the provisions of the regulations governing them and the provisions of this circular, an agent may make payment of a bond only to the individual whose name is inscribed as the owner in his own right on the bond *Provided,* That such individual presents the bond to the agent for payment and that the individual is known to the agent or establishes his identity to the complete satisfaction of the agent This authority shall be held to include the payment of bonds to a person whose name as inscribed on the bond has been changed by marriage (but not otherwise) Both names must be shown, for example—"(Miss) Mary T Jones, now by marriage Mrs Mary J Smith"

Sec 325 9 *Specific limitations of payment authority* —An agent is not authorized to pay a bond

(*a*) If the bond is presented for payment prior to September 2, 1947 Payment in any form or manner to a bond owner before that date is not authorized in any circumstance

(*b*) If the agent does not know or cannot establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond

(*c*) If the owner requesting payment (form for which appears on the back

of each bond) does not sign his name in ink exactly as it is inscribed on the face of the bond and show his home or business address (See also sec 325 10 (*d*))

(*d*) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete or unauthorized inscription or issue date or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof

(*e*) If the bond is marked "Duplicate" (An owner of a bond marked "Duplicate" must submit it to the Treasury Department Division of Loans and Currency, Washington 25, D C, after completing the request for payment and having it duly certified by an authorized certifying officer)

(*f*) If the owner is deceased, incompetent or under legal guardianship or the owner's name as inscribed on a bond is changed for any reason other than marriage, or if it is known to the agent that the owner has been declared, in accordance with law, incompetent to manage his estate

(*g*) If partial redemption is requested (Only payment of the entire amount of principal and interest due may be made and under no circumstances will an exchange be permitted for bonds of a lower denomination)

Attention is directed to sec 325 17 hereof for handling bonds of the foregoing classes of cases which may not be paid by agents

SUBPART D PAYMENT AND ACCOUNTING

Sec 325 10 *Examination of bonds presented for payment*—Before making payment of bonds presented hereunder the agent

(*a*) Shall determine that the person requesting payment as the "owner" (as defined in this circular) is known or his identity is established to the satisfaction of the agent

(*b*) Shall examine the bond and determine that it is a bond which the agent is authorized to pay under the provisions of this circular

(*c*) If the request for payment on the back of the bond is already executed, shall determine that the request is properly signed by the registered owner presenting the bond and that his home or business address is shown

(*d*) If the request for payment on the back of the bond has not been executed or has been improperly executed by the owner presenting the bond, shall require such owner to properly sign the request and show his home or business address

Sec 325 11 *Certification of requests for payment*—In view of the provisions of this circular governing the payment of the bonds and the requirements as to the data to be endorsed on each bond, under sec 325 12, an agent will not be required in the case of any bond paid by it to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear on the bond at the time it is presented for payment *Provided, however*, That each agent submitting paid bonds shall be understood by such submission to have represented and certified that the identity of the owner requesting payment has been duly established by one of its officers or by an employee duly authorized by the agent

Sec 325 12 *Determination of redemption values and payment of bonds*—The redemption value of a bond is determined according to the number of months that it has been outstanding The Federal Reserve Bank of the district will furnish each agent monthly with a table of redemption values from which it will be possible, after determining the month and year of issue of any bond, to establish its current value After establishing such value, payment thereof to the owner requesting payment shall be made in cash No objection will be made to an arrangement between the owner and the agent under which the owner accepts in lieu of cash, a credit to his checking, savings or share account with the agent, or a check or similar instrument payable to his order Each agent shall place in the upper left-hand portion on the face of each bond paid by it the word "Paid," the amount and date of payment and the name, location and code number assigned to the agent by the Federal Reserve Bank Other data pertinent to the payment procedure of an agent may be included if approved by the Federal Reserve Bank of the district Each paying agent of savings bonds acting also as a paying agent of armed forces leave bonds should use the same payment stamp for both activities The Federal Reserve Bank will furnish any additional rubber stamps necessary for this purpose, or, in lieu thereof, will approve suitable stamps in the possession of or prepared by an agent The affixation of such data shall be construed by and between the agent and the Treasury Department to be a certification by the paying agent that the bond has been paid in accordance with the terms and requirements of this circular and the Armed Forces Leave Act of 1946,

as amended, and regulations issued pursuant thereto, and that payment of the proceeds of the bond has been made to the owner

Sec 325 13 *Forwarding paid bonds to the Federal Reserve Bank* —After payment, the bonds shall be forwarded to the Federal Reserve Bank of the district in accordance with instructions issued by such Federal Reserve Bank

Sec 325 14 *Redemption of paid bonds by Federal Reserve Banks* —Upon receipt of the paid bonds the Federal Reserve Bank will make immediate settlement with the paying agent for the total amount of payments made on such bonds, however such settlement shall be subject to adjustment if any discrepancies are discovered at a later date

Sec 325 15 *Losses resulting from payments* —The amendment to the Armed Forces Leave Act of 1946, Public Law No 254, enacted July 26, 1947, provides in sec 4 thereof that the provisions of subsection (i) of section 22 of the Second Liberty Bond Act, as amended, shall apply with equal force to payments of armed forces leave bonds The said subsection provides

"(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations [2] as may be prescribed by the Secretary of the Treasury The Treasurer of the United States, any Federal Reserve Bank, or any qualified paying agent authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve Bank, or the qualified paying agent * * * The provisions of section 3 of the Government Losses in Shipment Act, as amended,[3] with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection * * *"

(*a*) *Consideration of facts concerning loss* —In any case in which a loss occurs, the paying agent shall be afforded ample opportunity to present all of the facts pertaining to the circumstances of the payment for consideration by the Secretary

Sec 325 16 *Preservation of rights* —Nothing contained in these regulations shall be construed to limit or restrict any existing rights which holders of bonds may have acquired under the Armed Forces Leave Act or the regulations prescribed thereunder

Sec 325 17 *Redemption of bonds not payable by agents* —Any bonds which an agent is not authorized to pay pursuant to the provisions of this circular should be forwarded by the owner, or his agent, after certification of the requests for payment, to the Federal Reserve Bank or branch of the district for redemption except that in the case of bonds marked "Duplicate" the bonds should be sent to the Treasury Department, Division of Loans and Currency, Washington 25, D C If an agent should undertake to forward such unpaid bonds at the request and in behalf of the person entitled to payment, such bonds must be sent separate and apart from bonds which the agent has paid

Sec 325 18 *Functions of Federal Reserve Banks* —The Federal Reserve Banks, as fiscal agents of the United States, are authorized to perform such duties, and prepare and issue such forms and instructions, as may be necessary to the fulfillment of the purpose and requirements of this circular The Federal Reserve Banks, when authorized by the Treasury Department, may utilize any or all of their branches in the performance of these duties

Sec 325 19 *Supplements, amendments, etc* —The Secretary of the Treasury may at any time or from time to time revise, supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or any revisions, supplements or amendments thereto, information as to which will be furnished promptly to the Federal Reserve Banks and to the agents qualified hereunder

The regulations set forth in this circular will become effective immediately, the requirements of sec 4 (*c*) of the Administrative Procedure Act being dispensed with to facilitate the redemption of armed forces leave bonds by the owners thereof after September 1, 1947, in accordance with Public Law 254, 80th Congress

A L M Wiggins,
Acting Secretary of the Treasury

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[2] Regulations governing replacement of losses resulting from payments made in connection with the redemption of armed forces leave bonds are set forth in Treasury Department Circular No 751 Second Revision

[3] The provisions of section 3 of the *Government Losses in Shipment Act* as amended with respect to the finality of decisions by the Secretary of the Treasury are —"Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States"

SECURITIES GUARANTEED BY THE UNITED STATES

Exhibit 16.—*Partial redemption, before maturity, of 2½ percent war housing* insurance fund debentures, Series H

SECOND CALL

[Department Circular No. 817. Public Debt]

TREASURY DEPARTMENT,
Washington, September 25, 1947.

To Holders of 2½ Percent War Housing Insurance Fund Debentures, Series H:

I. NOTICE OF SECOND CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2½ PERCENT WAR HOUSING INSURANCE FUND DEBENTURES, SERIES H

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2½ percent war housing insurance fund debentures, Series H:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246, U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2½ percent war housing insurance fund debentures, Series H, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on January 1, 1948, on which date interest on such debentures shall cease:

2½ percent war housing insurance fund debentures, Series H

Denomination	*Serial numbers (all numbers inclusive)*
$50	508 to 534
$100	1,850 to 2,104
$500	609 to 629
$1,000	2,681 to 2,966
$5,000	54 to 56
$10,000	149 to 1,073

"The debentures first issued as determined by the serial numbers were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1947. This does not affect the right of the holder of a debenture to sell and assign the debenture on and after October 1, 1947, and provision will be made for the payment of final interest due on January 1, 1948, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1, 1947, to December 31, 1947, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1948, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN SECOND-CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on January 1, 1948, are hereby designated second-called 2½ percent war housing insurance fund debentures, Series H, and are hereinafter referred to as second-called debentures.

2. Transfers and denominational exchanges in second-called debentures will terminate at the close of business on September 30, 1947.

III. REDEMPTION OR PURCHASE

1. Holders of second-called debentures will be entitled to have such debentures redeemed and paid at par on January 1, 1948, with interest in full to that date,

at the rate of $12 50 per $1,000 Interest on second-called debentures will cease on January 1, 1948

2 Holders of second-called debentures have the privilege of presenting such debentures at any time from October 1 to December 31, 1947, inclusive, for purchase at par and accrued interest, at the rate of $0 067935 per $1,000 per day from July 1, 1947, to date of purchase

IV RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1 The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of second-called debentures In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of second-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein

2 Second-called debentures presented for redemption on January 1, 1948, or for purchase from October 1 to December 31, 1947, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 of this section, and should thereafter be presented and surrendered to any Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D C, accompanied by appropriate written advice (Use Form PD 2132) The debentures must be delivered at the expense and risk of the holders (See paragraph 8 of this section) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered

3 If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on January 1, 1948, or for purchase prior to that date If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of ------------------," inserting the name and address of the person to whom payment is to be made

4 An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration

5 Final interest on any second-called debentures, whether purchased prior to or redeemed on or after January 1, 1948, will be paid with the principal in accordance with the assignments on the debentures surrendered

6 All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department Any assignment not made upon the debenture is considered a detached assignment

7 A second-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after January 1, 1948, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority In all cases coming under this provision payment will be made only by check drawn to the order of the corporation Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to January 1, 1948, and in case of assignments for redemption on or after January 1, 1948, for the account of any person other than the corporation

8 Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve Bank or to the Division of Loans and Currency,

Treasury Department, Washington 25, D C, at the expense and risk of the holder Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid

9 In order to facilitate the redemption of second-called debentures on January 1, 1948, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before December 1, 1947 Such early presentation by holders will insure prompt payment of principal and interest when due

V GENERAL PROVISIONS

1 Any further information which may be desired regarding the redemption of second-called debentures under this circular may be obtained from any Federal Reserve Bank or from the Division of Loans and Currency, Treasury Department, Washington 25, D C, where copies of the Treasury Department's regulations governing assignments may be obtained

2 As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of second-called debentures

A L M WIGGINS,
Acting Secretary of the Treasury

Exhibit 17 —Summary of information contained in circulars pertaining to calls for partial redemption, before maturity, of insurance fund debentures

During the fiscal year 1948 there were three calls for partial redemption, before maturity, of insurance fund debentures The essential details contained in the circulars covering these calls are summarized in the following table The first circular, covering the second call for partial redemption of Series H war housing insurance fund debentures, is shown as exhibit 16 The other two circulars have been omitted, but the general rules and regulations contained in the omitted circulars are, with the exception of the applicable dates, the same as those shown in exhibit 16

	2½% war housing insurance fund debentures, Series H		2¾% housing insurance fund debentures Series D, fifth call
	Second call	Third call	
Department circular covering call	No 817, Sept 25, 1947	No 826, Apr 12, 1948	No 825 Apr 12, 1948
Redemption date	Jan 1 1948	July 1, 1948	July 1, 1048
Serial numbers called by denominations			
$50	508–534	535–687	
$100	1 850–2,104	2,105–2 698	
$500	609–629	630–774	
$1 000	2,681–2 066	2 967–3,661	
$5,000	54–56	57–176	
$10,000	149–1 073	1,074–2,929	855–1,009 and 1 020–1,064
Final date for transfers or denominational exchanges (but not for sale or assignment)	Sept 30 1947	Mar 31 1948	Mar 31 1948
Redemption on call date, amount paid	Par, with interest in full, at rate of $12 50 per $1,000	Par, with interest in full, at rate of $12 50 per $1,000	Par, with interest in full, at rate of $13 75 per $1,000
Presentation for purchase prior to call date			
Period	Oct 1–Dec 31, 1947	Apr 1–June 30, 1948	Apr 1–June 30, 1948
Amount paid	Par and accrued interest at rate of $0 067935 per $1,000 per day from July 1, 1947, to date of purchase	Par and accrued interest at rate of $0 068681 per $1 000 per day from Jan 1, 1948, to date of purchase	Par and accrued interest at rate of $0 075549 per $1,000 per day from Jan 1 1948, to date of purchase

MONETARY DEVELOPMENTS

Exhibit 18.—Report of activities of the National Advisory Council on International Monetary and Financial Problems, April 1 to September 30, 1947

[House Document No. 501, 80th Congress, 2d session]

LETTER OF TRANSMITTAL

To the Congress of the United States:

I transmit herewith a report of the National Advisory Council on International Monetary and Financial Problems covering its operations from April 1, 1947, to September 30, 1947, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

Previous reports of the National Advisory Council were transmitted to the Congress on March 1, 1946, March 8, 1946, January 13, 1947, and June 26, 1947, respectively. Previous reports on the participation of the United States in the International Monetary Fund and the International Bank were included in the reports of January 13, 1947, and June 26, 1947, respectively.

HARRY S. TRUMAN

THE WHITE HOUSE, *January 19, 1948.*

REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS, APRIL 1, 1947, TO SEPTEMBER 30, 1947

I. ORGANIZATION OF THE COUNCIL

Statutory basis

The National Advisory Council on International Monetary and Financial Problems was established by the Congress in the Bretton Woods Agreements Act (59 Stat. 512, 22 U. S. C. 286b), approved by the President on July 31, 1945. The statute directs the Council to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and all other agencies of the Government "to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions." The Council is also directed to advise and consult with the President and the United States representatives on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank, and to recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and Bank. Portions of the statute stating the duties and powers of the Council are presented in appendix A [omitted here].

Reports

Since its first meeting on August 21, 1945, the Council has submitted four formal reports which were transmitted by the President to the Congress on March 1, 1946 (H. Doc. No. 489, 79th Cong., 2d sess., subsequently included as appendix B to H. Doc. No. 497, 79th Cong., 2d sess.); March 8, 1946 (H. Doc. No. 497, 79th Cong., 2d sess.), January 13, 1947 (H. Doc. No. 53, 80th Cong., 1st sess.), and June 26, 1947 (H. Doc. No. 365, 80th Cong., 1st sess.), respectively.

The present report covers the activities of the Council from April 1 to September 30, 1947. This section discusses the organization and procedures of the Council. Part II covers general activities of the Council, particularly as they relate to the Anglo-American Financial Agreement, the Philippine loan, and credits extended by the Export-Import Bank, United States Maritime Commission, and War Assets Administration. Part III constitutes the third report by the Council on participation of the United States in the International Bank for Reconstruction and Development and in the International Monetary Fund during the period from April 1 to September 30, 1947. Part IV covers activities of the Council in relation to the early planning and developmental phases of the European Recovery Program.

Membership

The members of the Council, according to law, during the period under review, were the following:

The Secretary of the Treasury, John W. Snyder, Chairman.

The Secretary of State, George C Marshall
The Secretary of Commerce, W Averell Harriman
The Chairman of the Board of Governors of the Federal Reserve System, Marriner S Eccles
The Chairman of the Board of Directors of the Export-Import Bank, William McChesney Martin, Jr

By agreement, the following served as alternates

Andrew N Overby, Special Assistant to the Secretary of the Treasury (to July 15, 1947) Frank A Southard, Jr, Director of the Office of International Finance, Treasury Department, succeeded Mr Overby on July 15, 1947
William L Clayton, Under Secretary of State for Economic Affairs (Willard L Thorp replaced Mr Clayton after the period covered by this report)
Thomas C Blaisdell, Jr, Assistant to the Secretary of Commerce
J Burke Knapp, Assistant Director of Research and Statistics, Board of Governors of the Federal Reserve System
Herbert E Gaston, Vice Chairman of the Board of Directors of the Export-Import Bank

Harold Glasser, Assistant Director of the Office of International Finance in the Treasury Department, was the Secretary of the Council

The United States Executive Directors on the International Monetary Fund and on the International Bank for Reconstruction and Development, Andrew N Overby and Eugene R Black, regularly attended the meetings of the Council

Procedure

The Council ordinarily meets each week and holds such special meetings as are required Joint meetings with the President's Committee for Financing Foreign Trade have been held at approximately monthly intervals In the period under review the Council also met (during the week of August 18–22) with representatives of the United Kingdom to consider problems arising in conjunction with the implementation of the Anglo-American Financial Agreement

The Council in discharging its functions makes use of the services of the existing personnel of its five member agencies Its Staff Committee consists of technical representatives of member agencies and a representative of the Securities and Exchange Commission The Alternate United States Executive Directors on the International Monetary Fund and the International Bank generally attend meetings of the Staff Committee The Staff Committee collects and analyzes information and prepares reports and recommendations for the Council This procedure has enabled the Council to maintain the close interagency liaison essential for successful performance of its coordinating functions in the most economical manner Secretariat functions are performed by personnel of the Treasury Department

II ACTIVITIES OF THE COUNCIL FROM APRIL 1, 1947, TO SEPTEMBER 30, 1947 (OTHER THAN THOSE RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK)

The Anglo-American Financial Agreement

The Anglo-American Financial Agreement of December 6, 1945, which the Secretary of the Treasury is delegated to carry out in consultation with the National Advisory Council, provided for a credit of $3,750,000,000 to the Government of the United Kingdom, and for the assumption by that Government of certain obligations to liberalize the use of sterling as an instrument of non-discriminatory multilateral world trade

The gradual extension of the area in which sterling could be freely used for current trading purposes had been begun in December 1946, as set forth in the report of the activities of the National Advisory Council from February 28, 1946, to March 31, 1947 (H Doc No 365, 80th Cong, 1st sess, p 4) Throughout the period following April 1, 1947, the Government of the United Kingdom continued this policy of implementing the convertibility clauses of the Financial Agreement in anticipation of the date on which the convertibility provisions became effective (July 15, 1947) Consequently, at the beginning of July 1947, the United Kingdom was prepared to state that the obligations in question were already being implemented with respect to many countries, and would be implemented by July 15 with respect to most other important countries The Government of the United Kingdom requested, however, that the provisions

permitting postponement in exceptional circumstances be applied in the case of fourteen countries with which appropriate arrangements could not be completed by July 15, 1947, with the understanding that the obligations would become effective retroactively to July 15, upon the date of completion of the arrangements The National Advisory Council recommended that the requested postponements be granted, and this was confirmed by an exchange of letters between the Secretary of the Treasury and the Chancellor of the Exchequer (This exchange of letters appears as appendix B to this report) By July 15, 1947, the British Government had instituted a system providing for the free availability of current accruals of sterling for current payments by all countries, except the fourteen for which postponement had been granted

This system of convertibility of sterling, however, could not be maintained The period covered by this report was characterized by increasing maladjustments in the British and world economies During 1946 the British had incurred a balance-of-payments deficit which was much lower than had been anticipated during the Washington negotiations During 1947, however, the continuing rise in world prices tended to increase the British balance-of-payments deficit, and this adverse trend was not compensated by a reduction in the volume of imports or an increase in the volume of exports On the contrary, the volume of exports in the first half of the year was substantially below the target, due to the winter crisis, and the volume of imports rose, near the middle of the year, to the highest postwar level In addition, Government expenditures overseas remained at a higher level than had been expected

These developments occurred at a time when most of the countries with which the United Kingdom trades were also suffering depletion of their gold and dollar reserves Hence, as soon as the convertibility provisions of the Financial Agreement became effective, these countries tended to make maximum use of their convertibility privileges in order to meet their dollar payments The net current sterling receipts of such countries tended to become a drain on British dollar resources, and the use, in some cases, of sterling balances previously accumulated, further contributed to the drain

It was the cumulative effect of these factors which caused the drawings under the credit to increase rapidly In the third quarter of 1946 the United Kingdom had drawn $400,000,000, in the fourth quarter, $200,000,000, and in the first quarter of 1947, $500,000,000 The rate of drawings accelerated to $950,000,000 in the second quarter of 1947 and to $1,300,000,000 in the 2 months of July and August, leaving an undrawn balance on August 31, 1947, of $400,000,000

On August 18, a delegation from the United Kingdom Treasury, headed by Sir Wilfred Eady, arrived in Washington and began consultations with the National Advisory Council In the course of these discussions, it was ascertained that the drain on the British dollar resources had risen to a level which would soon unduly deplete the British gold and dollar reserves The National Advisory Council, meeting in emergency sessions during the 3 days, August 18 to August 20, came to the conclusion that the fundamental purposes of the Anglo-American Financial Agreement could not be fulfilled if this excessive drain of British dollar reserves were permitted to continue Therefore, it was agreed between the representatives of the two Governments that the free convertibility of sterling should be temporarily suspended, and that the British Government should be given an opportunity to revise its system of international payments with a view to carrying out the basic objectives of the Anglo-American Financial Agreement

The British agreed that in the construction of an alternative system they would be guided by the principles of the Financial Agreement, having due regard to the necessity of conserving the British dollar resources These understandings were set forth in an exchange of letters of August 20, 1947, between the Secretary of the Treasury and the Chancellor of the Exchequer (This exchange of letters appears as appendix C to this report) [Appendix C omitted here] It was agreed in these letters that frequent consultations would be held between the two Governments with a view to arriving at the most feasible method of implementing the principles of the Financial Agreement, and that during the interim period while the British were revising their payments arrangements with third countries, no withdrawals would be notified against the amount remaining in the line of credit

During the course of the negotiations in Washington and in London in August and September 1947 questions were raised concerning the interpretation of section 9 of the Financial Agreement, which provides that quantitative import restrictions imposed by either country should be administered "on a basis which does not discriminate against imports from the other country in respect of any product"

The United States Government agreed that in its interpretation of the British obligation under section 9, it would take into consideration the unusual aspects of the financial position of the United Kingdom

Export-Import Bank credits

During the period under review the Council continued to work closely with the Export-Import Bank in order to coordinate the Bank's policies with those of other agencies concerned with foreign lending New credits authorized by the Bank during this period included $50,000,000 to Mexico, $13,000,000 to Austria, $3,162,000 to the Netherlands, $5,600,000 to Egypt, and $15,650,000 to Brazil The Council offered no objection to consideration by the Export-Import Bank of an allocation of up to $19,000,000 for the purpose of financing cotton exports to Germany out of the $100,000,000 which had been set aside by the Bank for financing cotton exports to European countries

The total net credits authorized from July 1, 1945, to September 30, 1947, by the Board of Directors of the Export-Import Bank amounted to $2,358,000,000 The following table shows the distribution of the credits by country and object of financing

Net credits authorized by the Export-Import Bank,[1] July 1, 1945, to September 30, 1947

[In millions of dollars]

Area and country	Object of credit financing					
	Lend lease requisitions	Reconstruction	Development	Cotton purchases [2]	Other	Total
Europe						
Austria			13.0		[3] 0.8	13.8
Belgium	55.0	45.0				100.0
Czechoslovakia				20.0	[4] 2.0	22.0
Denmark		20.0				20.0
Finland		62.5		7.0	[5] 10.0	79.5
France	550.0	650.0				1 200.0
Germany				[3] 10.0		19.0
Greece		25.0				25.0
Italy			100.0	25.0	[4] 5.0	130.0
Netherlands	50.0	[6] 154.3	3.2			207.5
Norway		50.0				50.0
Poland		40.0				40.0
Unallotted cotton credits				20.0		29.0
Total Europe	655.0	1 046.8	116.2	100.0	17.8	1 935.8
Latin America						
Argentina			.2			.2
Bolivia			3.0			3.0
Brazil			69.4			69.4
Chile			47.4			47.4
Colombia			3.5			3.5
Ecuador			1.8			1.8
Mexico			57.0			57.0
Peru			.1			.1
Venezuela			.6			.6
Total Latin America	-		183.0			183.0
Asia and Africa						
China		33.8		33.0		66.8
Netherlands Indies	-	100.0				100.0
Saudi Arabia			25.0			25.0
Turkey			28.1			28.1
Egypt			5.0			5.6
Ethiopia		3.0				3.0
Total Asia and Africa		136.8	58.7	33.0		228.5
Miscellaneous			10.7			10.7
Total, all areas	655.0	1 183.6	868.6	133.0	17.8	2,358.0

[1] Cancellations and expirations deducted Numerous small exporter importer loans extended by the Bank, July 1, 1945, through Sept 30, 1947, are excluded Also excluded are Mexican authorizations of $30,000,000 and Peruvian authorization of $400 000 approved prior to June 30 1945, recorded on Export Import Bank books subsequent to June 30, 1945

[2] Credits extended by the Export Import Bank under general approval of the Council Hungarian credit of $7 000,000 canceled Apr 2, 1947

[3] Revolving credits

[4] For financing tobacco purchases

[5] For financing food purchases

[6] Excludes $98,000 000 participation by private banks through Sept 30 1947, and $4 500 000 cancellation

In January 1947 the Council approved consideration by the Export-Import Bank of credits to Italy totaling not more than $100,000,000 The Bank earmarked this amount for the extension during 1947 of credits for the purpose of financing imports from the United States and, thereby, assisting specific parts of Italian industry in the restoration and expansion of export markets As of September 30, 1947, the Export-Import Bank had approved credits (guaranteed by the Italian Government) totaling $23 000 000 in favor of the Istituto Mobiliare Italiano, an Italian public credit institution, for three projects involving industrial financing

As previously reported, in March 1946 the Council approved consideration by the Bank of the extension to Chinese Government agencies and private enterprises of credits aggregating $500 000,000 for the purchase in the United States of materials, equipment, and services to assist in the rehabilitation and development of the Chinese economy The Bank earmarked this amount for the extension of credits for specific projects submitted to the Bank and approved by it prior to June 30, 1947 On June 27 the Bank announced that after the expiration of the earmark of this amount on June 30 it would be willing to consider loans for specific projects in China on the same basic principles as apply to its loan activities throughout the world

As of September 30, 1947, the unutilized lending capacity of the Bank was $818 900 000

The Philippine loan and the Joint Philippine-American Finance Commission

Congress by Public Law 656 (79th Cong), approved August 7, 1946, authorized the Reconstruction Finance Corporation to extend credits during the fiscal year 1947 to the Philippine Government of not more than $75,000,000 upon such terms as that agency, after consultation with the National Advisory Council, should deem to be warranted by the financial position of the Philippine Government The initial advance of $25,000,000 under this authorization was covered in the preceding report of the Council

In accordance with recommendations contained in an interim report of the Joint Philippine-American Finance Commission, established at the recommendation of the National Advisory Council to study the financial and budgetary situation of the Philippine Government, the Council approved consideration by the Reconstruction Finance Corporation of an additional $45,000,000 loan out of the remaining line of credit available under Public Law 656, provided that $10,000 000 would become repayable before September 30, 1947, if Philippine Government revenues for the fiscal year 1947 exceeded a stipulated amount In fact, this condition was satisfied and following extension of the $45,000,000 loan by the Reconstruction Finance Corporation, $10,000,000 was repaid by the Philippine Government by June 30, 1947 The total amount outstanding on September 30, 1947, was therefore $60,000,000, consisting of the initial advance of $25,000,000 and a net additional advance of $35,000,000 Both advances bear interest at 2 percent per annum, the maturity date of the former is January 1, 1952, and of the latter July 1, 1953

The final report and recommendations of the Joint Philippine-American Finance Commission were submitted to the President by the Chairman of the National Advisory Council on June 7, 1947, and have been printed as House Document No 390 (80th Cong, 1st sess) The report outlined a comprehensive and integrated financial, monetary, fiscal, and trade program to achieve economic recovery and development in the Philippines and the establishment of sound governmental financial policies and practices suited to postwar conditions and the independent status of the Philippine Government The report stressed the full utilization of available Philippine resources for these purposes

United States Maritime Commission foreign credits

Under the Merchant Ship Sales Act of 1946, the United States Maritime Commission was authorized, with certain limitations, to sell war-built vessels to noncitizens at not less than the statutory sales price and upon terms and conditions not more favorable than those extended to United States citizens

During the 6-month period under survey the National Advisory Council agreed to consideration by the Maritime Commission of $37,400,000 of credits for the purchase of war-built vessels by foreign governments or nationals As reported previously, the Maritime Commission after consultation with the Council had extended $97,000,000 of credits as of March 31, 1947 Credits utilized by pur-

chasers between April 1 and September 30, 1947, of $63,700,000 (including credits previously considered by the National Advisory Council) brought the total of credits for which contracts had been signed as of September 30, 1947, to $160,700,000

The following table indicates the status of merchant ship sales as of September 30, 1947, showing credits made available by the United States Maritime Commission and credits utilized by purchasers

Status of merchant ship sales to foreign countries as of Sept 30 1947

[Millions of dollars]

	Credits made available by U S Maritime Commission	Credits utilized by purchasers
Brazil	9 4	9 4
China	9 4	7 0
Finland	8	8
France	42 1	42 1
Greece	41 3	41 3
Italy	41 7	41 7
Netherlands	11 4	0 0
Norway	27 9	11 5
Peru	4 1	4.1
Turkey	6 0	2 8
Total	194 1	160 7

Ships for which mortgage contracts were not yet signed as of September 30, 1947, have also been delivered to Norway under special custody agreements

War Assets Administration foreign credits

The Council in consultation with the War Assets Administration considered the credit terms that would be appropriate for sales of domestic surplus to foreign governments The Council recommended that while the terms on such credits should, if practicable, conform to those granted by the War Assets Administration to domestic buyers, the War Assets Administration give consideration in its negotiations with foreign governments to credit terms conforming in general to those extended by the Export-Import Bank on reconstruction and development loans, except where the Surplus Property Act of 1944 may otherwise require The Council also recommended that each request for credit, with preliminary credit terms discussed by the War Assets Administration, be reported to the Council for such action as may be required

During the period under review, the War Assets Administration entered into credit agreements with the Government of Finland and the Government of the Philippines covering credits of a maximum of $10,000,000 in each instance As of September 30, 1947, a $25,000,000 credit was being negotiated with the Kingdom of the Netherlands In conformity with the recommendation of the Council the terms agreed upon in each case were 3 percent interest per annum with serial payments over a 15-year period, with, however, payment in full in 3 years on those items subject to statutory limitations (i e , raw materials, consumer goods and small tools, hardware and nonassembled articles which may be used in the manufacture of more than one type of product) The Council also approved in principle the extension of credits by the War Assets Administration to domestic exporters to be secured by a guaranty by the appropriate governmental authority of the foreign country in which the goods are sold The Council recommended that the amounts involved in such credit arrangements be charged, with the agreement of the country concerned, against the over-all amount specified in any War Assets Administration surplus property line of credit made available to a particular country

In addition to the three contracts mentioned above, several foreign applications for credits for the purchase of United States domestic surplus property have been acted on by the Council but had not resulted in the negotiation of firm contracts by September 30, 1947

Other Council activities

The National Advisory Council approved consideration by the United States Treasury Department of a Mexican request for renewal of the United States-Mexican stabilization agreement Accordingly, on May 13, 1947, a new stabilization agreement between the two countries was executed Under the terms of this agreement the United States Stabilization Fund undertook for a period of 4 years commencing July 1, 1947, to purchase Mexican pesos on request by the Mexican Government, to an amount equivalent to $50,000,000 for the purpose of stabilizing the United States dollar-Mexican peso rate of exchange

This agreement extended and enlarged the stabilization agreement of 1941 which had been twice extended for 2-year periods and which was scheduled to expire on June 30, 1947 It was pointed out that the stabilization agreement was consistent with the aims and purposes of the International Monetary Fund, of which both countries are members, and would in fact serve to supplement the efforts of that international organization to stabilize the rates of exchange between all the member countries

Other requests for stabilization agreements were considered during the period under review but no new agreements were executed

The President's Committee for Financing Foreign Trade, appointed on June 26, 1946, continued to advise and consult with the National Advisory Council on problems of foreign trade and international finance

III ACTIVITIES OF THE COUNCIL FROM APRIL 1 TO SEPTEMBER 30, 1947, RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The National Advisory Council, in accordance with statutory authority, continued to coordinate the activities of the United States representatives of the Fund and Bank with those of other agencies of the Government by giving them advice and assistance in carrying out their duties In this period the Fund and Bank made a number of important policy decisions and the United States participated fully in these matters

United States subscriptions to the Fund and Bank

On May 23, 1947, the United States completed payment of the required 20 percent of its subscription to the International Bank Total payments in cash to the Bank amounted to $69,215,000 The amount of $565,785,000 was paid in the form of noninterest-bearing, nonnegotiable notes, in accordance with the Articles of Agreement of the Bank and the Bretton Woods Agreements Act The remaining 80 percent of the subscription to the Bank will not be called unless required to meet the Bank's obligations The payment of the United States subscription to the Fund had been completed in February 1947 As of September 30, 1947, the International Bank had redeemed $250,000,000 of the special notes of the United States that had been issued to it, leaving $315,785,000 outstanding in the hands of the Bank Of the special notes issued to the International Monetary Fund $203,000,000 had been redeemed, leaving $1,579,000,000 outstanding

Second annual meeting of the Fund and Bank

The Boards of Governors of the Fund and Bank held their second annual meeting in London, September 11–17, 1947 The Secretary of the Treasury, John W Snyder, as United States Governor of both institutions, and the Under Secretary of State for Economic Affairs, William L Clayton, as Alternate Governor, attended The Executive Directors also participated at these meetings The advisers to the Governor included the United States Ambassador to the United Kingdom, the Chairman of the Board of Directors of the Export Import Bank, the Chairman of the Securities and Exchange Commission, the President of the Federal Reserve Bank of New York, and representatives of the constituent agencies of the Council

At these meetings the terms of the agreements between the Fund and the Bank and the United Nations were ratified by the Governors, the application of Finland for membership was approved, changes in quotas and capital subscriptions were approved, and various bylaws of the organizations were amended The Boards of Governors received the annual reports of the two institutions, and the report

of the audit At the closing session the Governor of China was elected as Chairman for the coming year, and the Governors of France, India, the United Kingdom, and the United States were elected as Vice Chairmen It was decided to hold the third annual meeting in Washington in the month of September 1948

Agreements of the Fund and Bank with the United Nations

Soon after the inception of the United Nations Organization, steps were taken to bring the Fund and the Bank into relationship with the United Nations, in accordance with the charter and the provisions of the Articles of Agreement, which provided for cooperative arrangements with other international organizations (Fund agreement, art X, Bank agreement, art V, sec 8) Draft agreements were approved by the Economic and Social Council of the United Nations on August 16, 1947, and by the Executive Directors of the Bank and Fund on August 20, 1947 The agreements were ratified by the Boards of Governors on September 16–17, 1947, and by the General Assembly of the United Nations on November 15, 1947 The two agreements are identical except for one clause relating to the Bank's loans They provide for reciprocal representation at meetings, exchange of information, coordination in the collection of statistical data, and consultation on problems of mutual interest The agreements further provide that proposed budgets of the Fund and Bank will be submitted to the United Nations for information only The Bank agreement contains the following special clause (art IV, sec 3)

"The United Nations recognizes that the action to be taken by the Bank on any loan is a matter to be determined by the independent exercise of the Bank's own judgment in accordance with the Bank's Articles of Agreement The United Nations recognizes, therefore, that it would be sound policy to refrain from making recommendations to the Bank with respect to particular loans or with respect to terms or conditions of financing by the Bank The Bank recognizes that the United Nations and its organs may appropriately make recommendations with respect to the technical aspects of reconstruction or development plans, programmes or projects "

Membership changes in the Fund and Bank

In the period under review, four countries were admitted to membership in the Fund and Bank Syria, Lebanon, Australia, and Finland The decision of the Fund and Bank to admit Syria and Lebanon had been taken at the first annual meeting, in September 1946 Membership was accepted by these countries on April 10 and April 14, 1947, respectively, in accordance with the conditions previously stipulated Syria's quota in the Fund and subscription to the Bank were each $6,500,000, while Lebanon's quota and subscription were each $4,500,000 Australia had participated in the Bretton Woods Conference, but had not accepted membership in the Fund within the period permitted for the original signatories Subsequently Australia applied for membership and the application was approved in May 1947 by the Boards of Governors without a meeting by a telegraphic vote in accordance with the bylaws of the Fund and Bank Australia completed acceptance on August 5, 1947 Australia's quota in the Fund was $200,000,000 and its subscription to the Bank was likewise $200,000,000

In the case of Finland, the Board of Executive Directors recommended admission to the Fund with a quota of $38,000,000 and that admission to the Fund be made contingent upon application for stock of the Bank in an amount equal to the assigned quota This recommendation was approved by the Boards of Governors at the London meeting Membership is open to Finland until March 15, 1948

On September 30, 1947, 45 countries were members of the Fund and Bank The members with their quotas and capital subscriptions as of September 30, 1947, are listed in appendix D [omitted here]

Additional executive directors

In accordance with Resolution No 10 of the Savannah Conference, Mr Guido Carli of Italy was elected thirteenth Executive Director of the Fund in May 1947, and Mr Constantino Bresciani-Turroni of Italy was elected thirteenth Executive Director of the Bank in August 1947 The Boards of Governors, at the London meetings, also provided for the election of a fourteenth director to represent the countries which will not have participated in elections prior to December 31, 1947 The additional directors will hold office until the second regular election in 1948

The Fund

Par values.—In July the Fund accepted a par value for Syria and Lebanon, which have a common currency, at 45.6313 cents for the Syro-Lebanese pound. The Fund also accepted a par value of 29.850746 cents for the Venezuelan bolivar, and 35.7143 cents for the Turkish lira.

Quotas.—At the second annual meeting in London the Governors agreed to increase the quota of Iran from $25,000,000 to $35,000,000, and of Egypt from $45,000,000 to $60,000,000, conditional upon proportional increases in their Bank subscriptions. The payment of the increased subscriptions had not been made as of September 30, 1947.

Gold sales at premium prices.—The Fund considered the problem arising from transactions in gold in various countries at prices above monetary parities. While in many instances, these transactions in gold took place illegally, in others they occurred in legal open markets or tolerated black markets. The Executive Directors of the Fund realized that exchange stability might be undermined "by continued and increasing external purchases and sales of gold at prices which directly or indirectly produce exchange transactions at depreciated rates." Since these transactions also involved a loss to monetary reserves when the gold moved into private hoards the Fund was of the opinion that such transactions were not conducive to the objectives for which the Fund had been established. The Fund accordingly issued a statement on June 18, 1947, deprecating international transactions in gold at premium prices and recommended that all of its members take effective action to prevent such transactions with other countries or with the nationals of other countries (appendix E). [Appendix E omitted here, see Appendix A, page 240.]

The Fund at this time also took action under article IV, section 2, of the Agreement which provides that—

"The Fund shall prescribe a margin above and below par value for transactions in gold by members, and no members shall buy gold at a price above par value plus the prescribed margin, or sell gold at a price below par value minus the prescribed margin."

The Executive Directors set this margin at one-fourth of 1 percent exclusive of minting and transport and transfer charges. The practice of the United States Treasury in gold transactions fully complies with these requirements.

The National Advisory Council fully agreed with the position taken by the Fund with regard to gold sales at premium prices. Accordingly, on July 18, 1947, the Secretary of the Treasury and the Board of Governors of the Federal Reserve System issued a joint statement requesting American banks, business enterprises, and individuals to refrain from encouraging and facilitating traffic in gold at premium prices (appendix F). [Appendix F omitted here, see Appendix B, page 241.] To implement the Fund's request and this joint statement of policy, the Treasury Department gave notice in the Federal Register of July 31, 1947, that it was considering amendments to the regulations issued under the Gold Reserve Act of 1934. After holding a public hearing, the Secretary of the Treasury issued a number of amendments to the regulations, which were approved by the President and became effective on November 24, 1947.

Fund exchange transactions.—The Fund's first exchange transaction occurred on May 8, 1947, when France purchased $25,000,000 from the Fund in exchange for francs. Total sales of foreign exchange by the Fund to September 30, 1947, are summarized in the following table:

[In millions]

Country	Sales of— United States dollars	Sales of— Pounds sterling
France	100.0	
United Kingdom	60.0	
Mexico	22.5	
Netherlands	18.0	1.5
Chile	2.5	
Total	203.0	1.5

Transitional exchange arrangements —Under article XIV, section 3, of the Fund Agreement, each member is required to notify the Fund whether the member intends to avail itself of the transitional arrangements provided in article XIV, section 2, or whether it is prepared to accept the obligations of article VIII, sections 2, 3, and 4 relating to convertibility and freedom of payments and transfers for current international transactions

In response to the Fund's request as to whether they were willing to accept the obligations of article VIII, sections 2, 3, and 4, the following countries signified their willingness El Salvador, Guatemala, Mexico, Panama, and the United States All other countries which are members of the Fund have signified their intention of invoking the transitional period clauses of article XIV, section 2, permitting the retention of restrictions on international payments

Organizational changes —Mr Harry D White's resignation as the United States Executive Director on the Fund became effective on June 1, 1947 The National Advisory Council wishes here to record its appreciation of the valuable services rendered by Mr White to the United States in the cause of international economic cooperation

On June 12, 1947, with the advice and consent of the United States Senate, the President of the United States appointed Mr Andrew N Overby as United States Executive Director on the Fund Mr Overby took office on July 1, 1947

The Bank

In the period under review the International Bank made its first loans and also issued its first securities on the American market Both the loans made and the securities issued involved complex questions of policy and law, to which the Council gave extended consideration

Loans —On May 9, 1947, the Bank granted a loan of $250,000,000 to the Credit National, a quasi-public French corporation created in 1919, to assist in financing the reconstruction and development of the French economy This loan is fully guaranteed by the Government of the French Republic The loan is for 30 years, with amortization over a 25-year period beginning 1952 The amortization schedule is arranged so as to permit smaller payments of principal in the earlier years than in the later years, when some shorter-term credits previously received will have been fully repaid and the French balance of payments may be expected to provide the necessary repayment more easily The rate of interest is 3¼ percent plus a commission of 1 percent per annum which, in accordance with the Bank's Articles of Agreement, will be set aside in a special reserve fund While the French Government had applied for a loan of $500,000,000, the Bank considered it necessary to limit its commitment at the time though stating that it would be willing to consider an additional loan subsequently The proceeds of the loan will be used to finance reconstruction in France, including the purchase of capital equipment and raw materials

On August 7, 1947, the Bank also granted a loan of $195,000,000 to the Kingdom of the Netherlands The loan is for 25 years with amortization beginning in 1952 On this loan, also, the schedule of amortization payments provides for relatively larger repayment in the later years The rate of interest is 3¼ percent, plus the commission of 1 percent per annum, which is to be set aside as a special reserve against loss by the Bank The loan proceeds are to be used exclusively for the reconstruction of productive facilities in metropolitan Netherlands While the Netherlands Government had applied originally for a loan of $535,000,000 to cover its reconstruction program for a 3-year period beginning in 1947, the Bank limited the loan to 1947 requirements It will consider extending further credits in 1948 and 1949 in the light of the situation then prevailing

The third loan was made in August to the Kingdom of Denmark This loan of $40,000,000 is for 25 years with amortization beginning in 1953, with increasing annual payments in the later years This loan is also at 3¼ percent with the additional 1 percent commission The Danish loan will be expended for agricultural and textile machinery, machine tools, trucks, steel products, textiles, and chemicals These supplies of materials and equipment will contribute greatly to the restoration of the Danish economy, whose greatest need is for materials of this type

The Bank also extended a loan of $10,000,000 in dollars and the equivalent of $2,000,000 in Belgian francs in August to the Duchy of Luxembourg This loan bears interest and commission at the same rate as the other loans of the Bank, and will run for 25 years, with amortization over a 23-year period beginning in

July 1949 This loan will be used for the purchase of locomotives, rolling stock, and railway equipment, and for the purchase of equipment for the steel industry It should be noted that this is the first loan of the Bank providing, in part, funds in currencies other than dollars The Belgian Government authorized the use of the equivalent of $2,000,000 of the Belgian paid-in subscription for the purpose of this loan

The Bank received loan applications from other members Poland, Czechoslovakia, Iran, Mexico, and Chile As of September 30, 1947, these requests for assistance were still under consideration by the Bank

Borrowing operations of the Bank—On June 30, 1947, the Bank filed a registration statement with the Securities and Exchange Commission and on July 15 made its first public offering of securities This consisted of $100,000,000 in 10-year 2¼ percent bonds, due July 15, 1957, and $150,000,000 in 25 year 3 percent bonds, due July 15, 1972 The issue, sold at par, was substantially oversubscribed It is expected that further issues of the Bank's securities will be offered when the Bank needs additional funds

Before these bonds could be placed on the market, a number of steps had to be taken to facilitate their sale and to assure conformity with the laws applicable thereto

The National Advisory Council agreed to the issue of these securities in the United States market at the time, and also granted permission to the Bank to buy and sell its securities after issue in accordance with the Articles of Agreement This permission was necessary since the Bank's Articles require the consent to such transactions of the government in whose markets its funds are raised It was also agreed that dollar funds not currently needed by the Bank for other purposes might be held in the form of United States Government obligations In order to assure that the Bank's transactions in these securities will not conflict with United States monetary and credit policies, the Bank is to consult with the Federal Reserve Bank of New York, as agent for the Federal Open Market Committee The United States Treasury Department will also be kept fully informed

The Bank also made a number of interpretations of, and decisions on, its Articles of Agreement at the request of the Executive Director for the United States in connection with the issue of the Bank's securities The Bank held that if it is necessary to call part of the 80 percent of the member countries' subscriptions to the Bank in order to meet the Bank's obligations, the failure of any member to pay its share of a call does not excuse failure on the part of other members to make their payments If the amount realized from a call is not sufficient to cover the Bank's obligations, successive calls may be made on the members, up to the limit of their subscriptions, until the aggregate paid in by them on the calls is sufficient to meet the Bank's obligations Moreover, the Bank may make capital calls in anticipation of the maturity of its own obligations or to meet payments required as the result of a default on loans made, participated in, or guaranteed by the Bank The Bank's Executive Directors also decided that article IV, section 2 (c), of the Agreement empowers the Bank, without restriction by members, to use currency paid to it as repayment of principal for the repurchase of the Bank's obligations, or to amortize or to anticipate amortization payments on the Bank's obligations

Although the sale in the United States of the bonds of the International Bank remains subject to the Securities Acts, the Securities and Exchange Commission granted certain qualified exemptions which had been requested by the Bank with the support of the National Advisory Council These exemptions relieved brokers and dealers from underwriters' liabilities under the Securities Act of 1933 in the distribution of the Bank's securities, from registering with the Commission as over-the-counter brokers and dealers under the Securities Exchange Act of 1934 in connection with this distribution, and from the provisions of the latter act relating to membership in "National Securities Associations" The Commission also permitted the trading of the Bank's bonds on a when-issued basis on the New York Stock Exchange so that the bonds automatically qualified for sale under the "blue sky laws" of a number of States Finally the Commission concurred in the opinion of counsel for the Bank that an exemption was available under the Trust Indenture Act of 1939

Encouragement of private foreign lending by the Bank—During the period under review the National Advisory Council approved a proposal that the International Bank encourage private foreign lending by making stand-by commitments The stand-by commitments would be assumed in connection with the offering in the

private capital market of obligations of foreign governments which are members of the Bank. Where the terms of such obligations would be more favorable to the borrower than those generally applicable to loans from the Bank, the Bank would not enter into such stand-by commitments for more than 50 percent of any issue. As of September 30, 1947, there were no foreign private loans issued in which the Bank made a stand-by commitment.

Establishment of Advisory Council to Bank.—Upon nomination by the President of the Bank, the Board of Governors at the London meeting approved the following members for the Bank's Advisory Council, organized in accordance with article V, section 6, of the Bank's Articles of Agreement:

Name	Nationality	Representation
Sir Arthur Salter	United Kingdom	Chairman
Edward F. Brown	United States	Banking
Herbert Hoover	do	Commerce
R. Dickson Harkness	Canada	Industry
Leon Jouhaux	France	Labor
Pedro Beltran	Peru	Agriculture
Sir C. V. Raman	India	Science
Lionel Robbins	United Kingdom	Economist
S. K. Alfred Sza	China	Other activities

IV. THE EUROPEAN RECOVERY PROGRAM AND INTERIM AID

The end of the war found Europe in a state of destitution and the United States in a position of major importance in world affairs. The United States Government adopted measures designed to meet its new position. Goods under lend-lease and large quantities of surplus property were turned over to foreign countries on generous terms. The United States financed about 70 percent of the operations of UNRRA, which transferred large quantities of food, fuel, and industrial materials to devastated countries. Increased lending authority of the Export-Import Bank provided for the extension of rehabilitation loans. The special problems of the United Kingdom in the transitional postwar period resulted in the extension of a loan of $3,750,000,000 in July 1946. The National Advisory Council, however, in surveying the postwar foreign financial assistance extended by the United States Government, in its report for the period ending March 31, 1947, stated:

"It has during the period under review become increasingly clear that such resources as remain available will not, by reason either of their amount or of the nature of developing needs abroad, prove adequate for the accomplishment of the purposes for which foreign financial assistance has been provided."

This conclusion was based on studies which indicated that substantial set-backs to European recovery had occurred, that existing commitments for financial assistance by the United States would soon be exhausted, and that the gold and dollar resources of western European countries were being rapidly depleted.

Set-backs to European recovery, 1946–47

The European countries, with the exception of Germany, made considerable progress toward recovery after the war. Transportation systems were rebuilt, industrial output was revived, and export markets were partly restored. Considerable progress in the restoration of productive resources was made during 1946. But the prolonged and severe winter of 1946–47, especially in Great Britain, the following drought, and the depletion of financial resources contributed to retard further recovery. It was evident that substantial progress could not take place without continued assistance from the United States and fundamental readjustments in European industry and trade.

After July 1, 1946, no new substantial commitments of United States aid to European countries were authorized. The existing commitments were largely drawn down by July 1, 1947. Total loans and credits made available to European countries from July 1, 1945, to June 30, 1947, amounted to slightly less than $8,000,000,000, while total loans and credits utilized were approximately $5,500,000,000. Of the approximately $2,500,000,000 not utilized by July 1, 1947, $1,300,000,000 was drawn by the United Kingdom by the end of August. (The data on total United States loans and credits available to Europe, July 1, 1945, to June 30, 1947, are given in appendix G.) [Appendix G omitted here.]

The depletion of gold and dollar resources, June 30, 1945, to June 30, 1947

In extending financial assistance to foreign countries, the United States Government had always given consideration to their capacity to pay for imports with their own gold and dollar resources As a consequence, from July 1945 through June 1947 most of the European countries which took part in the Paris Conference liquidated part of their gold and dollar resources and tapped other sources as follows

[In millions of dollars]

Declines in gold reserves	1,925
Declines in dollar balances	990
Liquidation of dollar securities	215
Short-term credits from United States commercial banks	140
Dollar purchases from International Monetary Fund	50
Total	3,320

During the same period a few of the countries participating in the Paris Conference registered gains in their gold and dollar position which, in the aggregate, amounted to approximately $1,000,000,000 However, the gains of these countries did not compensate for the losses suffered by the other participants

Nearly half of the total of $3,320,000,000 was accounted for by France, which during the 2-year period disposed of $1,215,000,000 from her gold stocks, drew her dollar balances down by $260,000,000, borrowed on short-term $20,000,000 from United States commercial banks, and purchased $50,000,000 from the Fund With the gradual exhaustion of the funds made available by the United States, few countries have been able to avoid similar depletion During the 5-month period July–November 1947, losses of gold and dollar balances on the part of countries participating in the European Recovery Program have been estimated at $925,000,000 and their purchases of dollars from the Fund have totaled $347,000,000 In addition, France, Netherlands, and Luxembourg drew $267,000,000 on their loans from the International Bank for Reconstruction and Development between the beginning of June and the end of November 1947

It was clear that it would be impossible for the western European countries to continue to draw on their gold and dollar balances at the rate prevailing during the summer of 1947 Only Portugal, Switzerland, and Turkey had holdings of gold and dollars in excess of estimated minimum needs for monetary reserves and foreign trade requirements The other countries had insufficient reserves to cover their total monetary and trade requirements The gold and dollar holdings of several of these countries were close to the estimated minimum levels of working balances needed for foreign trade purposes, without any allowance being made for reserves against domestic monetary circulation (Detailed tables on gold and dollar assets of foreign countries are attached as appendix H) [Appendix H omitted here]

The rapid decline of the gold and dollar holdings of these countries which had followed shortly after the sharp contraction of United States financial assistance and had gathered momentum during the spring of 1947 forced them to impose increasingly drastic exchange and trade restrictions As a result, the standard of living and the production level of industry declined In particular, France and Italy during the summer and early fall of 1947 were forced to suspend their purchases of all but the most essential commodities, such as wheat and coal, with the result that there was danger that the pipe line of industrial materials would begin to run dry

Policy developments, June to September 30, 1947

Secretary of State Marshall's speech at Harvard on June 5, 1947, may be considered as the starting point of the formal European Recovery Program In this speech Secretary Marshall pointed out that—

"Europe's requirements for the next 3 or 4 years of foreign food and other essential products—principally from America—are so much greater than her present ability to pay that she must have substantial additional help, or face economic, social and political deterioration of a very grave character "

Secretary Marshall pointed out that before the United States Government could proceed further in its efforts to assist Europe on the road to recovery there must be agreement among the countries of Europe as to their foreign requirements and the extent of self-help to be provided in order to give proper effect to

whatever assistance would be rendered by the United States As a result of Secretary Marshall's statement of objectives, the Foreign Ministers of Great Britain and France arranged for a conference to which 16 European countries sent delegates At this conference, the Committee of European Economic Cooperation was formed

On September 22, 1947, the Committee of European Economic Cooperation completed and sent to the United States Government a report consisting of a general statement of the problems pertaining to European economic recovery, and outlined a plan of the 16 participating countries to meet these problems An estimate of the external assistance which these countries believed necessary to restore their economic position was submitted along with a statement dealing in detail with the position and prospects of these countries and western Germany

Meanwhile, in June 1947, the President created three committees to study and report to him on the relationship between foreign aid and the United States domestic economy Two governmental committees under the direction of the Secretary of the Interior and the Council of Economic Advisers undertook to conduct studies on the impact of foreign aid upon our national economy The third committee, consisting of representatives from various fields of industry and finance under the chairmanship of the Secretary of Commerce, undertook to analyze the character and quality of United States resources available for foreign aid, to advise the President on the limits within which such aid might be safely and wisely planned, and to consider the relation between foreign aid and the domestic economy

The necessity for interim financial assistance to France, Italy, and Austria prior to the inauguration of a full-scale European recovery program became apparent as a result of the drains upon their limited reserves of gold and dollars to finance import requirements The crisis was intensified by very serious crop failures in France and Italy during 1947, the depletion of existing credits at a more rapid rate than had been previously anticipated, and the absence of assurance that additional long-term financial assistance would become available By September 30, 1947, it had been generally agreed within the Government that interim aid to France, Italy, and Austria should receive consideration in advance of the long-range European Recovery Program

The financial and monetary problems raised by the European Recovery Program have been under continuing study by the National Advisory Council and its constituent agencies As of September 30, 1947, the National Advisory Council was giving detailed consideration to various points which had been raised by the Committee of European Economic Cooperation in connection with the long-range program

JOHN W SNYDER,
Secretary of the Treasury,
Chairman of the National Advisory Council
on International Monetary and Financial Problems

G C MARSHALL,
Secretary of State

W A HARRIMAN,
Secretary of Commerce

M S ECCLES,
Chairman of the Board of Governors
of the Federal Reserve System

WM MCC MARTIN, JR,
Chairman of the Board of Directors of the
Export-Import Bank of Washington

APPENDIX B

CORRESPONDENCE OF JULY 14–15, 1947, RELATING TO THE POSTPONEMENT IN CERTAIN CASES OF THE OBLIGATIONS UNDER SECTIONS 7, 8 (II), AND 10 OF THE ANGLO-AMERICAN FINANCIAL AGREEMENT

JULY 14, 1947

Rt Hon HUGH DALTON,
Chancellor of the Exchequer,
Treasury Chambers, London, England

MY DEAR CHANCELLOR As a result of recent consulations between representatives of your Government and representatives of the United States Government and in accordance with the request of your Government, the United States Government has agreed to the postponement until September 15, 1947, if necessary, of the obligations of your Government under the Anglo-American Financial Agreement in the case of Austria, Bulgaria, China, Denmark, France, Greece, Hungary, Paraguay, Poland, Rumania, Siam, Turkey, the Union of Soviet Socialist Republics, and Yugoslavia, with the understanding that upon the date of completion of necessary arrangements with these countries, all sterling accruing to them after July 15, 1947, will become freely available for current payments in accordance with the Anglo-American Financial Agreement

It is my understanding that with the exception of the temporary extensions to which the United States Government has agreed in the case of the countries mentioned in the preceding paragraph, the British Government will carry out fully its obligations under sections 7, 8 (ii), and 10 of the Anglo-American Financial Agreement I should appreciate your Government's confirmation of this understanding

Sincerely yours,

JOHN W SNYDER,
Secretary of the Treasury

JULY 15TH, 1947

Hon JOHN W SNYDER,
Secretary of the Treasury, Washington, D C

DEAR MR SECRETARY Thank you for your letter of July 14, 1947, regarding the execution of the Anglo-United States Financial Agreement, dated December 6, 1945

In reply I confirm your understanding that, with the exception of the temporary extensions to which the United States Government has agreed in the case of the countries mentioned in the first paragraph of your letter, the British Government is fully carrying out its obligations under sections 7, 8 (ii), and 10 of the Anglo-American Financial Agreement

Yours sincerely,

HUGH DALTON

Exhibit 19 —First special report of the National Advisory Council on the operations and policies of the International Monetary Fund and the International Bank for Reconstruction and Development

[House Document No 656, 80th Congress 2d session]

LETTER OF TRANSMITTAL

To the Congress of the United States

In accordance with section 4 (b) (6) of the Bretton Woods Agreements Act, there is transmitted herewith the first special report on the operations and policies of the International Monetary Fund and the International Bank for Reconstruction and Development, covering the first 2 years of operations of these institutions

HARRY S TRUMAN

THE WHITE HOUSE, *May 17, 1948*

Special Report of the National Advisory Council on International Monetary and Financial Problems on the Operations and Policies of the International Bank for Reconstruction and Development and the International Monetary Fund

CHAPTER I INTRODUCTION

The International Monetary Fund and the International Bank for Reconstruction and Development began operations in the spring of 1946 The major part of their transactions, however, began in 1947 The postwar international situation, as it has developed, has been quite different from that which had been anticipated when the institutions were projected at the Bretton Woods Conference in 1944 The postwar period has been characterized by economic and trade dislocation of an unprecedented order, and monetary and financial conditions have been scarcely conducive to the most effective operation of the Bank and the Fund

The war left enormous areas of destruction in Europe and Asia The parts of the economy which had not been destroyed were sadly run down during the war Stocks of raw materials and fuel were exhausted The whole delicate organization of production and trade within countries and of the interchange of goods between countries was dislocated

While Europe and Asia suffered heavy damage, many countries in other parts of the world greatly increased their productive capacity during the war Production in the United States, for example, rose in 1946 to 165 percent of the 1935–39 average and to 176 percent in 1947

Although some countries increased their productive capacity, their resources had been diverted to production for war, and the end of the war left these countries with large unfulfilled needs for consumer goods and for repairs and replacements to consumer goods industry The rapid shift in world productive capacity resulting from the war and the process of reconversion to peace production all over the world set up new stresses and strains Inevitably, time was required for the structure of world trade and finance to become adjusted to the needed shifts in production

Recovery in production was rapid in the war-torn countries, due in large part to the provision of rehabilitation supplies through UNRRA and the initial United States postwar assistance, but this proved to be insufficient to bring about world recovery in the short period since the end of the war With help needed for reconstruction and readjustments all over the world the resources available were insufficient to complete the job in a few years Foodstuffs were in short supply in Europe, and in parts of Asia as well, thus putting an unprecedented drain on Western Hemisphere production and raising food prices throughout the world The scarcity of equipment from Europe and the United States impeded increases in production in Latin America of products for Europe The disruption of the usual trade channels contributed to scarcities of materials formerly supplied by some foreign areas to others, so that the demands on the American economy increased

Rising prices also contributed to the severity of the dollar crisis which appeared in 1947 Wholesale prices in the United States had almost doubled between 1939 and 1947, with the most rapid increases occurring after 1945 Consequently the cost of obtaining supplies in the United States in the postwar period rose correspondingly Inflation in some other countries has been more serious in distorting production and retarding recovery Conspicuous illustrations are Hungary, Greece, China, Italy, and France In the countries of the British Commonwealth of Nations, on the other hand, prices have generally remained at levels comparable to those in the United States In Latin America, even though the countries had not suffered war damage and had experienced considerable increases in production during the war, price rises also were significant Changes in relative prices contributed significantly to the disorganization of the normal trade relations of the world

Most countries have found it necessary or desirable to impose fairly rigid controls over foreign exchange movements, partly to prevent the flight of capital and partly to assure that the limited supplies of foreign exchange available would be used for the purchase of commodities deemed most essential to the national economy As a result of such controls, which were almost inevitable in this situation, the currencies of the world have generally not been convertible into gold or dollars Currency inconvertibility, particularly of sterling except for a

short period, has had serious consequences for the world economy in strengthening the trend toward bilaterally balanced trade Hence bilateral payments and clearing agreements and special bilateral trade agreements assumed a dominant role in world trade While these agreements permitted the resumption of trade, the mutual credits provided under the agreements have not been adequate to permit an expanding volume of trade Moreover the trade which has taken place has not been as mutually advantageous as it would have been had trade been governed purely by economic considerations

Postwar conditions in Europe and Asia thus served to accentuate the balance of payments problem of other countries with respect to the United States Relatively greater need for dollars, in proportion to the dollars available, existed than before the war The United States has for many years exported more than it has imported In the prewar period the difference was made up in part by excess payments from the United States to other countries for shipping services, tourist expenditures, remittances, and so on, while prior to the great depression of the thirties there had been a considerable flow of capital from the United States to other countries During the war the shortage of many types of goods entering international trade and the existence of lend-lease obscured some of the underlying balance-of-payments difficulties which became more apparent after the war In 1946 foreign countries received 15 3 billion dollars in goods and services from the United States, while they earned only 7 1 billion dollars from the sale of goods and services to this country In 1947 our surplus on current international account reached 11 3 billion dollars, with total exports of goods and services amounting to 19 6 billion dollars

The postwar current account deficit of foreign countries was in part covered by the reduction of their dollar balances and the sale of gold to the United States, to the amount of 5 3 billion dollars between June 30, 1945, and December 31, 1947 The remainder of the deficit was covered by loans and credits extended by United States agencies, United States contributions to UNRRA the provision of supplies by United States agencies in occupied areas and elsewhere, liquidation of foreign investments in the United States, private investments abroad, remittances, and, to some extent, by the operations of the Fund and Bank Of the total loans, credits, and grants extended by the United States, foreign countries utilized 14 6 billion dollars during this period, and on December 31, 1947, the unutilized balances amounted to 3 6 billion dollars

In terms of the dollar aid extended to foreign countries, the operations of the International Bank and the International Monetary Fund appear relatively small The total purchases of dollars from the Fund amounted to $600,000,000 (as of April 30, 1948), and the loans extended by the International Bank, to $513,000,000 The importance of these institutions, however, is not to be measured in terms of the dollars made available but rather in their significance as organizations for international cooperation The International Monetary Fund, as shown in the third chapter, has contributed significantly to the formulation and adoption of desirable exchange policies while the Bank has begun lending operations which it is hoped will assume far greater importance for the development of the world economy in future years

The people and the Congress of the United States have fully recognized the need for American assistance to foreign countries at this time In addition to the grants loans and credits previously authorized, the Congress has authorized additional expenditure of 5 3 billion dollars for the recovery of Europe This aid will be given partly in the form of grants and partly in the form of loans, depending upon the estimated ability of the recipient countries to repay in the future Congress has also voted aid to China and made additional appropriations for special aid programs in Greece, Turkey and Trieste and the occupied areas The President has also requested Congress to increase the lending capacity of the Export-Import Bank of Washington by $500,000 000 This would enable the Export-Import Bank to give greater assistance in the development of Latin-American countries These measures of special United States assistance are not intended to supersede the activities of the International Monetary Fund and the International Bank, which will continue to operate along the lines originally laid down

CHAPTER II INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The International Bank for Reconstruction and Development is an institution designed to promote mutual assistance among the member countries in the reconstruction and development of their territories, the long-range growth of

international trade, and the maintenance of equilibrium in the balances of payments of members, by making loans and encouraging private foreign investment The Bank and the International Monetary Fund at present have 46 member countries, of which 40 participated in the Bretton Woods Conference Four countries represented at Bretton Woods (Haiti, Liberia, New Zealand, and the Soviet Union) have not become members of the Fund and the Bank

I Capitalization

The subscribed capital of the Bank was $8,263,100,000 as of April 30, 1948, of which the United States share is $3,175,000,000 or 38 4 percent Subscribed capital is divided into three parts (1) 2 percent, or $165,262,000, paid in gold or dollars (of this amount, the payment of $4,915,000 by formerly enemy-occupied countries was postponed until 1951, in accordance with the Articles of Agreement), (2) 18 percent, or $1,487,358,000, paid in the local currency of the member country, and (3) 80 percent, or $6,610,480,000, not paid in, and not available for use in the lending operations of the Bank, but in the nature of a guaranty fund, subject to call and use only if required to meet the Bank's obligations Of the $1,647,705,000 paid-in capital, $731,847,000 represents gold or United States dollars, $635,000,000 provided by the United States, and the remainder by means of the 2 percent capital subscriptions of other members

Under the Articles of Agreement, the Bank's operations may be financed in three ways

(a) FROM THE BANK'S OWN FUNDS

The Bank may make direct loans out of the receipts of the 20 percent capital stock subscribed for this purpose This has been the principal source of its loanable funds to date Of the 20 percent, the original 2 percent paid in gold or dollars by all members may be freely used by the Bank for any purpose The remaining 18 percent, however, may not be loaned or exchanged for other currencies without the consent of the member whose currency is used Under the Bretton Woods Agreements Act, the National Advisory Council has the duty of determining whether to give or withhold such consent on behalf of the United States, and on April 10, 1947, the Council agreed to permit the Bank to utilize this 18 percent of the United States capital subscription Through April 30, 1948, Belgium is the only other member which has consented to loan or exchange its currency, and such consent is limited to the equivalent of $2,000,000 of Belgian francs There have not been any requests for loans in other currencies

(b) LOANS FROM BORROWED FUNDS

Although the Bank's paid-in capital is the equivalent of over a billion and one-half dollars, more than half of this amount consists of currencies other than the dollar During the past two years the only significant demand has been for loans in dollars, and, for this reason, the Bank has entered the United States private investment market to secure additional loanable dollars Furthermore, there are few countries other than the United States that are at present in a position to export capital, i e, export their products without having to obtain other goods in exchange to meet their current needs In most of the European nations, the physical disruption caused by World War II was enormous, and adequate recovery will require the full use and retention of all available production for a number of years Under such circumstances, few of these countries are expected soon to be in a position to produce and export larger amounts of goods and services than they themselves require for domestic reconstruction and development At least for the present, therefore, the United States will remain the principal source of funds for capital export, including capital exports financed by the Bank

(c) GUARANTEED LOANS

In addition to its power to make loans from subscribed capital or from borrowed funds, the Bank is also authorized, under the Articles of Agreement, to guarantee foreign loans made by private investors The Bank's international character and financial strength place it in a position where it may assume this role of guarantor of a part of new foreign private investment Through April 30, 1948, no loans had been guaranteed by the Bank

II The Bank's loan policy

According to its charter, the Bank's loans may not be granted for relief or for political purposes, they must be for either reconstruction or development and must show reasonable prospects of repayment The project or program to be financed must be recommended, after study of the proposal, by a competent committee appointed by the Bank, and the borrower must be unable to obtain the loan elsewhere under conditions considered by the Bank to be reasonable When a loan made or guaranteed by the Bank is not made directly to a member government, it must be fully guaranteed either by the member government or by its central bank, or some comparable agency of the member government which is acceptable to the Bank

The Bank's first emphasis has been on reconstruction, because in that field not only is there great urgency but also great opportunity for rapid improvement in productivity, and, with it, improvement in world trade among all the members of the Bank Except in the case of Chile, all loans to date have been for reconstruction of countries suffering direct damage from World War II The Chilean loan is a developmental loan, and was made specifically to provide foreign exchange for the purchase of equipment and supplies which are required for the development of electric power, water facilities, and agricultural resources

Through April 30, 1948, the Bank had made five loans amounting to $513,000,000, against which disbursements to March 31, 1948, totaled $402,813,713

Status of loans as of Mar 31, 1948

[Expressed in United States dollars]

Borrower	Loan commitment	Disbursement	Unused balance of commitment
Credit National (France)	$250 000 000	$250 000 000	
Kingdom of the Netherlands	195 000 000	138 459 092	$56 540,908
Kingdom of Denmark	40 000 000	7,322 104	32 677 896
Republic of Chile	16 000 000		16 000 000
Grand Duchy of Luxembourg	12 000 000	7 032 517	4 967 483
Total	513 000 000	402 813 713	110 186,287

All of the Bank's loans have been made since May 9, 1947, and all have been in dollars, with the exception of $2,000,000 worth of Belgian francs made available out of its subscribed capital by Belgium to cover the purchase of railroad equipment by Luxembourg

The Council, as directed by the Bretton Woods Agreements Act, has kept closely in contact with all of the policy activities of the Bank Prior to the granting of each loan, the Council was consulted by the United States Executive Director on the policy to be followed Careful consideration was given to the amount of the loan, with particular regard to its appropriateness for achieving the desired purposes The Council also considered the borrower's prospects for economic recovery and development and the prospects of the loan's contributing to a broader revival of world productivity and trade, as well as possible alternative sources of financing and the potential requests of other member countries

The United States Executive Director has consulted the Council about the Bank's policies on interest and commission charges The interest rate charged by the Bank has been such as to enable the Bank to meet the cost of borrowing and still leave a sufficient margin to cover operating expenses and to build up appropriate reserves A commitment fee has been charged from the date on which the Bank undertakes a firm commitment up to the time of disbursement The Articles of Agreement stipulate that during the first 10 years of the Bank's operations the commission rates on loans made from borrowed funds shall not be less than 1 percent and not greater than 1½ percent per annum This commission, which has been fixed at 1 percent, is to be set aside in a special reserve to meet the obligations of the Bank in the event of default on its loans

The Council believes that the Bank has adhered to the terms of its charter in making loans to date The statement of purposes prescribes that the Bank shall—

"arrange the loans made or guaranteed by it in relation to international loans through other channels so that the more useful and urgent projects, large and small alike, will be dealt with first"

Through April 30, 1948, the largest part of the Bank's loans has been for reconstruction rather than development purposes However, much greater emphasis is expected on the developmental phase of its operations in the coming months

Coordination of lending policy between the Export-Import Bank and the United States representatives on the International Bank will continue through the Council, and will be guided by the particular circumstances in each case Frequent consultations between officials of the two Banks will continue as in the past In general, long-term development projects are referred to the International Bank in the first instance The Export-Import Bank makes loans which have a special and important United States interest, for example, because the project is designed to open up an additional supply of essential imports into the United States, or because it requires United States equipment and services of kinds which it is especially desirable to export Such interest may also exist because the project is being sponsored and financed in part by private United States interests, or because it covers a field in which the Export-Import Bank already has participated financially, or because the applicant country is not yet a member of the International Bank

THE BANK AND THE EUROPEAN RECOVERY PROGRAM

The Bank has a definite role in the European Recovery Program, but it can be expected to carry only a small part of the total burden Conservative estimates of the requirements of the war-torn nations now indicate that their needs will aggregate many billions of dollars, far exceeding the total that the Bank is in a position to borrow in the American private capital market The Bank may be expected to finance some of the dollar capital requirements of the European countries, particularly where they require permanent additions to their equipment It does not seem likely, however, that it will be in a position to assume the risks involved for more than a small portion of that part of the program which will be placed on a loan basis To the extent that the program satisfies the needs of the participating countries for foreign exchange with which to purchase foods, feedstuffs, clothing, fuel, and raw materials, it will improve their balance of payments positions and make it easier for the Bank to negotiate long-term loans with such countries, which, in turn, will assist in the successful outcome of the European Recovery Program

III Flotation of Bank securities

As previously noted, the Bank's primary source of loanable funds is to be the private investment market In this respect, the Bank has been termed "a bridge" between government and private financing in the international banking field During the winter of 1946–47, the United States Executive Director on the Bank discussed with the Council various problems connected with the flotation of the Bank's securities in the United States The Council advised the United States Executive Director that this Government approved the Bank's selling an initial issue of securities in this market and subsequently gave its formal consent to the sale of these securities in accordance with article IV, section 1, of the Bank's charter, and section 4 (b) (4) of the Bretton Woods Agreements Act Accordingly, the first public offering of International Bank bonds appeared on July 15, 1947 It consisted of $100,000,000 10-year 2¼ percent bonds due July 15, 1957, and $150,000,000 25-year 3 percent bonds due July 15, 1972 Both issues were favorably received

Since the long-term success of the Bank is contingent upon its ability to obtain private loanable funds, the Council has assisted the Bank in its efforts to secure the widest possible distribution of its securities In this connection, the Comptroller of the Currency issued a statement that International Bank debentures were qualified for purchase by national banks up to the legal limit of 10 percent of their capital and surplus Although the Council has given its consent to the Bank's buying and reselling its own bonds in the United States for market stabilization purposes, to date the Bank has not supported the market price of its securities

As the economies of the war-torn nations tend to revive, the risk factor on loans to many potential borrowers will decline Under such conditions, the Bank would be in a better position than at the present time to expand its loan portfolio As stated in the Articles of Agreement, investors in the Bank's securities have, as a guaranty, in addition to the assets in the Bank's portfolio, the obligations of the member governments on the 80-percent uncalled portion of their capital subscriptions, of which $2,540,000,000 is a commitment of the United States Government

As of April 30, 1948, the Bank's obligations aggregated only $250,000,000 As the investing community becomes more familiar with the Bank's securities, the Council believes that the Bank will be in a position to borrow larger amounts in the United States market and thus to make further loans of such sizes and types as private investors are unable or unwilling to undertake

IV Fiscal operations

As of March 31, 1948, the Bank had an accumulated net profit of $1,200,000 from operations in addition to having $2,000,000 in its special reserve (as provided in the Articles of Agreement) to meet possible losses At the end of September 1947, the organizational expenses of the Bank, plus those entailed in the flotation of its securities, had resulted in a deficit of about $2,000,000 Since that time the income from the Bank's loans and other investments has been more than sufficient to wipe out this deficit

V Conclusion and recommendations

In the drafting of the Bretton Woods Agreements almost four years ago, it was impossible to foretell with any degree of accuracy the extent to which the economics of the nations of the world would be disrupted at the conclusion of World War II and in the immediate postwar period The unfavorable postwar situation abroad, both politically and economically, has made the problem of finding suitable investments very difficult and has done much to curtail the Bank's activities Severe war destruction, followed by postwar inflation, has made it imperative that most nations of the world use all of their available resources for reconstruction and development at home Few countries, other than the United States, are in any position to export capital to satisfy the needs of the rest of the world As a consequence, the Bank must look to the United States as the prime supplier of loanable funds

Since the Bank's resources are limited in relation to the demands made upon it, first consideration to date has been given to the most urgent needs, such as the elimination of bottlenecks and the restoration and expansion of productive facilities that will contribute most effectively to the healthy revival of the world economy As economic conditions in foreign nations are raised from their wartime and postwar levels, the Bank may be expected to assume a greater role in international finance When the most urgent needs of foreign countries have been met, and sound currency and fiscal policies adopted, many requests for loans for the development of economic resources may be expected Throughout the world much of the wartime destruction and deterioration has yet to be made good After completion of reconstruction, large sums will be required for capital improvements and expansion, principally in industry, agriculture, transportation, mining, hydroelectric, and harbor projects The gradual revival of commerce and world trade should do much to alleviate the present hesitancy of American investors to engage materially in large-scale overseas enterprises and should also permit the Bank to borrow loanable funds in other markets

The Council does not, at this time, propose any changes in the Bank's capital structure or amendments to the Articles of Agreement It has recommended the amendment of the Securities Act of 1933 and the Securities Exchange Act of 1934 so as to exempt International Bank securities from those acts, and the amendment of section 5136 of the Revised Statutes to permit dealing in these securities by member banks of the Federal Reserve System (subject to existing limitations on the total amount of securities of any one obligor that a member bank may hold at any one time) The Council has also recommended that the Congress enact legislation which would permit insurance companies organized in the District of Columbia to invest in the Bank's securities This would follow legislation already enacted by many State legislatures with respect to insurance companies and savings institutions The Council believes that these measures are justified, in view of the nature of the Bank, and the need for broadening the market for its securities

Future activities of the Bank will depend, to a considerable extent, on economic and political developments throughout the world, as well as on the speed with which reconstruction can be carried out and economic stability established in the war-torn countries With a general improvement in economic conditions abroad, it is to be hoped that trade barriers will decline and that a freer flow of international capital will occur into the most economic markets The Bank, in the opinion of the Council, will have an increasingly important role in this future development and expansion of the international capital markets

CHAPTER III THE INTERNATIONAL MONETARY FUND

The International Monetary Fund was established by international agreement to promote monetary cooperation and to facilitate the expansion of world trade by the promotion of exchange stability and the maintenance of orderly exchange arrangements The Fund provides a continuing organization for consultation with and among the members on the problems of international payments and related questions of foreign exchange practices and policies As a specialized agency concerned primarily with balances of payments, foreign exchange questions, and the monetary policies of its members, the Fund cooperates with the International Bank for Reconstruction and Development and other international organizations in the economic field in matters of mutual interest It shares with these other organizations the common objective of the improvement of economic conditions throughout the world, particularly through the attainment of a high level of international trade and investment

The Fund's resources are available to assist members in carrying out policies in conformity with the Fund's objectives, i e , to provide financial assistance to overcome temporary disequilibria in their balances of payments and so to help them to avoid policies restrictive of trade or detrimental to the welfare of the international economy as a whole The Fund's currency operations are limited in general by the Articles of Agreement—

"to transactions for the purpose of supplying a member, on the initiative of such member, with the currency of another member in exchange for gold or for the currency of the member desiring to make the purchase "

These currency transactions are for the purpose of giving temporary assistance in financing balance-of-payments deficits on current account for monetary stabilization operations The Fund is not designed to make long-term loans Currencies acquired by the Fund from member countries are to be repurchased by them with convertible currencies or gold, within a reasonable period of time

I Par values and exchange stability

(a) PROVISIONS OF THE FUND ARTICLES

One of the primary objectives of the Fund is "to promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation " Exchange stability implies that the market prices of foreign exchange do not fluctuate except within a narrow range Accordingly, the Fund Agreement provides that each member currency shall have a par expressed in terms of gold or United States dollars of the weight and fineness in effect on July 1, 1944, and that the minimum or maximum rates of exchange between currencies may not differ more than 1 percent above or below the par value in the case of spot transactions A larger margin may be established by the Fund for other exchange transactions The members agree to collaborate with the Fund in promoting exchange stability, to maintain orderly exchange arrangements with other members and to avoid competitive exchange alterations A member country, such as the United States, whose monetary authorities in fact freely buy and sell gold for the settlement of international transactions within the limits prescribed by the Fund is deemed to be fulfilling its obligations with respect to the maintenance of exchange stability

The Fund Articles recognize that par values once established need not be permanent and so provide a mechanism for orderly change in the par values by agreement with the Fund Proposals to change par values must be initiated by the member and may be made only after consultation with the Fund The Fund may not raise an objection to a proposed change in par value if the change, when taken in conjunction with previous alterations, does not exceed 10 percent of the initial par value agreed with the Fund If a member proposes a change which does not exceed 20 percent of the initial par, the Fund may concur or object but is required to give its decision within 72 hours, if the member so requests For larger changes the Fund may accept or reject the proposal but is entitled to have a longer period for consideration These provisions do not apply in case the Fund proposes a uniform change in the par values of all currencies Moreover, the Fund is required to concur in a proposed change "if it is satisfied that the change is necessary to correct a fundamental disequilibrium " If a member, despite the objection of the Fund, changes its par value, it becomes ineligible to use the resources of the

Fund unless the Fund determines otherwise, and if, after a reasonable period, the Fund and the member cannot agree on the par value, the member may be required to withdraw from the Fund

(b) THE DETERMINATION OF INITIAL PAR VALUES

In accordance with the Articles, the Fund on September 12, 1946, announced that it would "shortly be in a position to begin exchange transactions" and requested each member to communicate the par value of its currency based on the rates of exchange prevailing on October 28, 1945, i e, the sixtieth day before the entry into force of the agreement The par values communicated were to be accepted for the purposes of the Fund, unless the member notified the Fund that it regarded the par as unsatisfactory or unless the Fund notified the member that in its opinion the par value could not be maintained without "recourse to the Fund on the part of that member or others on a scale prejudicial to the Fund and to members" Acceptance by the Fund of a par value is a condition for making the member eligible to draw upon the Fund's resources In the case of countries which had been occupied by the enemy, the member could postpone the declaration of a par value

Most of the members communicated their current par values under this clause and requested the Fund to agree to them for the purposes of the Fund Agreement Canada and France, however, had changed their par values in the period between October 28, 1945, and September 12, 1946, and accordingly requested acceptance of their new par values

The Fund on December 18, 1946, accepted the parities proposed by 32 members and announced that exchange transactions would begin on March 1, 1947 The determination of par values was postponed in nine cases, Brazil, China, Dominican Republic, Greece, Poland, Uruguay, Yugoslavia, France in respect of French Indochina, and the Netherlands in respect of the Netherlands Indies Subsequently par values were agreed for the Dominican Republic, and for Venezuela, Turkey, Syria, Lebanon, and Australia, which were not yet members at the time the initial parities were established Par values have not yet been agreed with the Fund (as of May 1, 1948) for Brazil, China, Finland, Greece, Italy, Poland, Uruguay, Yugoslavia, French Indochina, and the Netherlands Indies

It was recognized by both the Fund and the member countries that the acceptance of par values was tentative and that some of the rates would need modification in time The Executive Directors in their first annual report issued in September 1946 had stated that—

"In some cases the initial par values that are to be established may later be found incompatible with the maintenance of a balanced international payments position at a high level of domestic economic activity * * * When this occurs, the Fund will be faced with new problems of adjustment and will have to recognize the unusual circumstances under which the initial par values were determined It is just at such times that the Fund can be most useful in seeing that necessary exchange adjustments are made in an orderly manner and competitive exchange depreciation is avoided"

The Fund realized that the rates of exchange prevailing at the close of 1946 were in some instances out of line with relative wage and price levels in the various member countries Limited production in the postwar period, and the great need for imports which the member countries could not finance without external assistance, would make it almost impossible to bring about equilibrium in the balance of payments of the members by mere changes in the parities of their currencies Moreover, devaluation of currencies at that time might have accentuated existing inflationary forces and so tended to add to the instability of the situation Accordingly, the Fund properly felt that—

"the major significance of the present step is not in the particular rates of exchange which are announced, but in the fact that the participating nations have now fully established a regime wherein they are pledged to promote exchange stability, to make no changes in the par value of their currencies except in accordance with the Fund Agreement, and to assist each other in attaining the general objectives of the Fund"

The National Advisory Council had given careful attention to the problem of the initial parities before the Fund's action was taken The Council was in agreement with the position taken by the Fund, since it too recognized that any action taken at the time could be only tentative, and that the time was not ripe

for bringing about some of the adjustments in the exchange rates which would ultimately be required if the member countries were to carry on their international trade without considerable external assistance

The Council has the exchange rate policy of the Fund and the members under continual study, and it believes that some adjustments in exchange rates may have to be made in the near future Any action in Europe must, however, be related to the provision of American assistance under the European Recovery Program and in all instances must also be related to the steps taken toward the internal stabilization of the economic and financial situations of the member countries The adjustment of exchange rates cannot be made simultaneously for all countries, since they will attain the requisite degree of internal stability at different periods and their balances of payments will more closely approach equilibrium at varying times, depending upon the circumstances affecting the trade of the various countries with the rest of the world The Council is of the opinion that the Fund provides a most satisfactory means of dealing with this problem in conjunction with the European Recovery Program, and it has outlined to the Congress a proposal for utilizing the Fund's mechanism for this purpose Under this proposal, whenever the Council believes that a country's exchange rate is imposing an unjustifiable burden on its balance of payments, the United States Government would, after discussion with the Government of the country concerned, require that country (if a member of the Fund) to raise the problem with the Fund and to use the Fund's procedures for making an orderly adjustment

(c) MODIFICATIONS OF EXCHANGE RATES

Difficult problems have arisen in connection with the exchange rates of several member countries At the time that Italy was admitted to the Fund (March 1947), Italy had a system of multiple fluctuating exchange rates whereby exporters to certain areas were required to sell half of their foreign exchange receipts at an official rate and might sell the other half on the open market Importers of some goods purchased their exchange at the free market rates, which were considerably higher than the official rate, and importers of other goods purchased their exchange at the official rate Considering the Italian economic situation, the Fund approved the request of Italy to defer agreement on a par value for the lira In November 1947 Italy proposed a modification of its exchange system which reduced the number of effective rates, almost eliminated the spread between import and export rates, and brought many cross rates into line with the official rates The Fund believed that this new system eliminated some of the objectionable features of the Italian system and was a step in the right direction Although the Fund recognized as a general principle that any system of fluctuating exchange rates is not in accord with the long-run objectives of the Fund, it also recognized that extraordinary measures might be required to meet temporary situations The Fund accepted the Italian Government's assurance that it would work in the direction of fixed and stable exchange rates and that the fluctuating rate system was merely a temporary expedient to be used until such time as the internal situation of Italy and its balance of payments would make possible the establishment of a rate consonant with the Fund's objectives

In January 1948 the French Government proposed to modify its exchange system to include multiple rates and to change the par value of the franc, which had been agreed with the Fund The official par was to be changed from approximately 119 to 214 francs to the dollar The exchange rates for currencies other than the dollar and other convertible currencies were to be based on the official cross rate with the dollar, although dollar transactions would take place largely at a "free market" rate French exporters receiving dollars or other convertible currencies would be permitted to sell half of the proceeds on a "free market," while the other half would be sold at the official rate The free market would also receive the exchange from invisible transactions While certain commodities could be imported at the official rate of exchange, particularly certain prime necessities, other items could be imported only by securing exchange on the free market Purchase of exchange, however, was restricted to licensed transactions, so that the French authorities still retained considerable control over the operations in the free market

The French Government presented its proposal to the Fund and engaged in full consultation with it The Fund fully agreed that a change in the rate of the franc was desirable and was prepared to concur in a devaluation of the franc to a realistic rate which would be applicable to all member currencies It decided,

however, that it could not accept the exchange system proposed by France While the Fund recognized the special difficulties of France, it was unable to agree to a system which involved the inclusion in a market—

"with fluctuating rates of any part of the proceeds of exports, as in its judgment this entailed the risk of serious adverse effects on other members of the Fund, without being necessary to achieve the trade objectives sought by the French authorities

"The Fund felt that there would be scope for competitive depreciation in the application by one country of a fluctuating rate on exports to one area while other rates remained stable and other countries maintained the parities agreed by the Fund Such a system, operating in an important trading country, would encourage trade distortions and might cast unwarranted doubt on the real strength of many currencies through the apparent discount applied to them in the French system "

The Fund also believed that the adoption of a system as proposed by France might lead to the adoption of similar systems by other countries so that there would be uncertainty and instability in the exchange rates of a large part of the world This disorderly exchange situation would have adverse effects upon all the members of the Fund Despite the Fund's objections, France put this system into effect on January 25, 1948 While this action disqualified France from using the Fund's resources, it did not require France's withdrawal from membership The French Government and the Fund have continued discussions subsequently in the hope of bringing about a modification of the French exchange system which would meet the special requirements of France, while at the same time not endangering exchange stability or operating to the economic disadvantage of other members of the Fund France, in agreement with the Fund, has subsequently unified the effective import and export rates applicable to many of the transactions with convertible currency countries, thus reducing the number of multiple rates to this extent The French Government has indicated that its present system is a temporary device and that it is its intention to return to a unitary rate system when circumstances permit

The Council has kept the Italian and French exchange systems under close and extensive study, and through the United States Executive Director actively supported the positions taken by the Fund The Council and the Fund share the desire to have stable exchange rates established without discriminatory features as soon as this is practicable The Council strongly favors the adoption by all member countries of policies consistent with the Fund's objectives While it recognizes that some concessions must be made to meet the requirements of particular countries, it believes that temporary action to meet immediate situations should not be such as to prejudice the attainment of exchange stability

II Exchange restrictions and multiple currency practices

One of the ultimate objectives of the Fund is the establishment of a multilateral system of payments for international transactions and the elimination of exchange restrictions on current transactions Members accepting the obligations of article VIII, section 2, of the Agreement agree not to impose restrictions on payments and transfers for current international transactions without the prior approval of the Fund Similarly, under article VIII, section 3, the members may not engage in discriminatory currency arrangements or multiple currency practices unless authorized by the Agreement or approved by the Fund Since many discriminatory exchange practices were in existence at the time the Fund Articles came into effect, the members agreed to consult with the Fund as to their progressive removal The Articles recognized, however, that in the postwar transitional period the retention of exchange restrictions would be essential to the economies of many member countries and so, under article XIV, gave the members great latitude in retaining and adapting these arrangements to changing circumstances without prior approval of the Fund Moreover, countries which had been occupied by the enemy were permitted to introduce restrictions which had not been in effect previously After three years of the Fund's existence the members must report on such restrictions as are still in force under the Articles, and after five years the members may retain such restrictions only with the consent of the Fund At that time the Fund will consult with the member and give it an opportunity to state its position If the member persists in retaining these restrictions despite the Fund's objection, the member may be compelled to withdraw from the Fund

The foreign exchange systems of the member countries have a great variety of controls over current transactions, and many of the systems provide for multiple rates and, in some cases, fluctuating rates The arrangements vary greatly from country to country They sometimes are relatively new devices introduced in the years preceding the outbreak of the war, or later, for the specific purpose of protecting the exchange resources of the members under war conditions In other countries the multiple currency practices and exchange controls have become deeply imbedded in the financial institutions of the country and are used as a matter of trade policy, as well as a means of providing the government with special revenues through exchange taxes or discriminatory exchange rates Business practices as well as the pattern of trade in these countries, particularly in Latin America, have been adjusted to the system of controls so that it would be scarcely feasible to eliminate them rapidly

The Fund has undertaken a study of the exchange restrictions and multiple currency practices now in force in all of the member countries, and it has, on request of governments, sent missions to discuss with the members ways and means of bringing their exchange policies in closer conformity with the Fund objectives While countries must be dealt with separately because of the complexities of their systems, the Fund has nevertheless stated its position with regard to the principal types of discriminatory exchange arrangements The Fund has held that even during the transitional period its jurisdiction extends to the introduction or modification of exchange arrangements, when these involve changes in exchange rates Moreover, members by the agreement undertake to collaborate with the Fund to promote exchange stability and orderly exchange arrangements, and the Fund believes that members must pay due regard to this obligation in their administration of multiple currency practices Under article XIV, section 4, the Fund is empowered to make representations to a member that conditions are favorable for the withdrawal of particular restrictions This power may be exercised "in exceptional circumstances" during the transitional period so that the Fund is given considerable discretion in dealing with this question In practice, it has approached the problem realistically and has recognized that abrupt changes in the foreign exchange policies of the members might have undesirable consequences for their economies and might have further repercussions on the economic well-being of other countries In its advice to the member countries it has consistently attempted to eliminate as many of the restrictions as practicable and has tried to induce them to work toward uniform exchange rates

In accordance with article XIV, section 3, each member, before it becomes eligible to purchase currencies from the Fund, must notify the Fund as to whether it intends to avail itself of the transitional arrangements or whether it is prepared to accept the obligations of article VIII, sections 2, 3, and 4, which prohibit the member from imposing restrictions on current payments without the agreement of the Fund and which require the member to eliminate discriminatory currency arrangements or multiple currency practices These sections also require a member to convert its currency into other currencies at the request of other members Thus a member accepting the obligation of article VIII, section 4, agrees, with certain exceptions, to buy balances of its currency held by another member either with gold or with the other member's currency, provided that these balances have arisen as the result of recent current transactions or that the conversion of the balance is necessary for making payments for current transactions

On November 8, 1946, the Fund requested the members to inform it whether they intended to avail themselves of the transitional arrangements or whether they were willing to accept the obligations of article VIII, sections 2, 3, and 4 The United States Government, acting through the Council, notified the Fund on December 10, 1946, that it was ready to assume the obligations of article VIII, sections 2, 3, and 4 The only other countries which are now accepting these obligations are El Salvador, Guatemala, Mexico, and Panama All other members availed themselves of the privileges of the transitional period, either because they had exchange restrictions in effect at the time which would be contrary to article VIII, sections 2 and 3, or because they were unable in their present position to assure the convertibility of their own currency into other member currencies, or into gold if requested by the other members

The Fund discussions with members regarding their exchange practices and related financial policies are carried on for the most part on an informal confidential basis, since these discussions may result in important legislative or ad-

ministrative acts on the part of the country concerned In a few instances, however, the Fund and the member concerned have made public announcement of the steps taken Thus Ecuador requested the Fund's advice about means of conserving its foreign exchange resources and suggested a new system of allocation of its foreign exchange receipts Ecuador was induced to modify its system of exchange, and the Fund withdrew objections to the proposed Ecuadorian system, despite its introduction of new multiple currency practices The system was accepted only as a temporary device for two years under the transitional period provisions By that time it was believed that Ecuador could bring about a sufficient degree of equilibrium in its balance of payments and an adjustment of prices and costs, as well as other domestic monetary and credit reforms, which would ultimately enable it to make foreign exchange available for all current transactions at a single uniform rate

In January 1948 the Fund agreed with Chile on a program for the progressive simplification of its multiple exchange rate system in the course of 1948 As a first step, the compensation system, whereby Chilean importers and exporters directly matched imports and exports, was to be eliminated and exchange transactions were to be effected through normal banking channels Chile also took steps toward financial stability Discussions with the Fund are continuing, and it is expected that in 1949 the bulk of Chile's foreign exchange transactions will take place within a revised system with a new rate of exchange to be established at a more realistic level than the prevailing rates

The National Advisory Council is aware of the difficulties which the Fund faces in trying to bring about the rapid adoption of unified stable exchange rate systems A series of steps must be taken by the various member countries to simplify their exchange rates and to eliminate the discriminatory features now existing The Council is of the opinion that the Fund's policy with regard to exchange restrictions is directed toward the purposes for which the Fund was created and believes that the Fund has made some significant advances in the right direction The Council believes that greater efforts must be made by the Fund and by the member countries to eliminate multiple currency practices, so that at the end of the transitional period as many countries as possible will be able to undertake the obligations of convertibility of their currencies and the avoidance of restrictions, which have in practice operated to the detriment of world trade In this connection the Council notes with satisfaction the provisions of the International Trade Organization Charter completed on March 25, 1948, which assign an important role to the Fund in the determination of the circumstances under which it is permissible for a country to impose import restrictions for the purpose of maintaining its external financial position and equilibrium in its balance of payments It is the hope of the Council that the combined activities of the ITO and the Fund will eventually bring about the freedom of exchange and trade which is desirable in the interests of expanding world trade and the development of the economies of the member countries

III Gold policy

The gold purchase and sales policies of member countries are closely allied to the maintenance of exchange stability For some time the United States Government and the Fund have been greatly concerned over the existence of markets for gold in some of the member countries, in which gold was sold in international transactions at prices considerably in excess of the gold values of the currencies of the members as determined by their par values accepted by the Fund Some of this gold moved into private hoards and some was used to make international payments in contravention of the relevant exchange regulations Trading in gold also sometimes involved dollar payments and to a degree may have affected exchange operations in the dollar Such transactions have a tendency to undermine confidence in officially established parities

Article IV, section 2, of the Fund Agreement authorizes the Fund to prescribe a margin above and below par value for transactions in gold by members and prohibits members from buying gold at a price above the par value, plus the margin, or selling gold at a price below par value, minus the margin To implement the provisions, the Fund on June 10, 1947, adopted a regulation which prescribed the permissible margin as one-fourth of 1 percent, exclusive of the cost of converting the gold into good delivery bars, or the cost of transporting the gold to the place where it is sold, or to the country whose currency is used in the purchase of the gold, and other incidental charges necessary for making the transfer The United

States Treasury Department's practice in gold sales and purchases is fully in accord with this rule, since the Treasury buys gold delivered to the mints or assay offices at $35 per fine ounce, less one-fourth of 1 percent and other mint charges, and sells gold at $35, plus one-fourth of 1 percent and other incidental charges

On June 18, 1947, the Fund issued a statement to its members deprecating international transactions in gold at premium prices—i e, at prices exceeding the prescribed margins—and requested the members to take the steps necessary to stop such transactions The text of the Fund's statement is given in appendix A On June 24, 1947, the National Advisory Council published the Fund's statement and announced to the press that it was in full agreement with it A month later the Secretary of the Treasury and the Board of Governors of the Federal Reserve System issued a joint statement requesting American individuals and firms to refrain from engaging in premium gold transactions This statement is given in appendix B

To implement these two statements of policy the Treasury Department announced on July 31, 1947, that it was considering the amendment of the regulations under the Gold Reserve Act After a public hearing the regulations were amended by the Secretary, with the approval of the President, and became effective on November 24, 1947 The amended regulations provided that after their effective date licenses would not be issued for the export of gold in bar form for industrial, artistic, or professional purposes and that gold produced from imported gold-bearing materials could be exported only to the consignor or to his order, provided that the license request showed that the export from the country of origin and the import into the country of destination were in accord with the regulations of the countries concerned United States nationals were prohibited from exporting gold obtained from imported gold-bearing materials on their own account and were prohibited from engaging in the sale of such gold at premium prices for the account of others

On November 17, 1947, the Canadian Government announced a project for a subsidy to gold production intended to prevent further decline in Canadian gold mining as a consequence of increased operating cost and to increase production so as to obtain dollar exchange The Canadian Government began consultations with the Fund and with the United States Government, which, as the principal buyer of gold, was greatly concerned about the matter The Fund took the position in the course of these discussions that a subsidy of a fixed amount per ounce of gold produced was in violation of article IV, section 2, of the Fund Agreement, which prohibits the members from buying gold at a price above par value, plus the agreed margin In deference to the Fund's objection, the Canadian Government revised its proposal so that the subsidy would be used to defray part of the increased cost of production and would vary with the costs of individual producers

On December 11, 1947, the Fund issued a policy statement which emphasized the necessity of member consultation with the Fund in all matters relating to gold subsidies, since gold subsidies might threaten to undermine exchange stability or change the par values of currencies as expressed in gold The Fund also believed that such subsidies were objectionable, for example, "if subsidies were to cast widespread doubt on the uniformity of the monetary value of gold in all member countries" The Fund stated that it would deal with each particular case as it arose, and it determined "that in the present circumstances" the proposed Canadian action was not inconsistent with the policies stated by the Fund On the following day the Secretary of the Treasury, on behalf of the National Advisory Council, issued a statement approving of the position taken by the Fund The United States, as the principal gold-buying country, has a special interest in all matters of gold production The Secretary stated

"In particular, the United States would view with disfavor any tendency for countries to become dependent on subsidized gold production as a solution to the problem of arriving at and maintaining equilibrium in their balances of international payments"

The Secretary also announced that the Council did not believe there was any reason for granting a subsidy to gold production in the United States

IV Use of the Fund's resources

One of the major problems of policy confronting the Fund during its first year of operations was the formulation of appropriate policies relating to the use of the Fund's resources by the member countries The United States, which con-

tributed $2,750,000,000 to the financial resources of the Fund, had a particular interest in this matter, especially since the Fund's exchange operations have been confined almost entirely to the sale of dollars

The Articles of Agreement specify in general terms the conditions under which member countries may purchase currencies from the Fund The Fund's resources are to be used to meet temporary foreign exchange deficits arising from current international transactions Article XIV, section 1, explicitly provides that the Fund's resources are not to be used for relief or reconstruction It was clearly the intent of the Agreement not to bar countries from using the Fund's resources during the postwar reconstruction period, but these resources were to be used only for the purposes of the Fund and not contrary to its Articles The Fund was anxious to make a contribution toward the reestablishment of international trade and the maintenance of exchange stability in the postwar period It was faced, nevertheless, with the possibility that under the abnormal conditions prevailing some requests for currency might involve such a substantial element of "relief" or "reconstruction" as to be contrary to the agreement Therefore the Fund, while aiding the war-torn countries by the sale of dollars to them, was required to exercise careful judgment, and its sales of currency have been made only after careful study of the economic and financial conditions of the members applying

There was a very real danger that, if the Fund's resources were used in large part by countries in process of reconstruction, or by countries carrying on programs of economic development which might require foreign dollar exchange to meet capital requirements, the long-range purposes of the Fund would be lost sight of and that its resources would be quickly exhausted before the date at which the Fund could become fully effective in maintaining exchange stability and preventing discriminatory exchange practices The United States Executive Director, with the approval of the Council, has consistently opposed the view that the use of the Fund's resources was automatic The Fund has tried to strike a balance between the extreme of conserving its resources entirely for the post-transitional period and the use of its resources to deal with the pressing exchange needs of the members at the present time

To carry out section 13a of the Bretton Woods Agreements Act, the United States Governor and Executive Director of the Fund took steps at its inaugural meeting to obtain—

"an official interpretation by the Fund as to whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions, and whether it has authority to use its resources to provide facilities for relief, reconstruction, or armaments, or to meet a large or sustained outflow of capital on the part of any member "

On September 26, 1946, the Board of Executive Directors made an interpretation, which was accepted by the Board of Governors, to the effect that the use of the Fund's resources was—

"limited to use in accordance with its purposes to give temporary assistance in financing balance of payments deficits on current account for monetary stabilization operations "

In the opinion of the Council, this interpretation is fully responsive to the requirements of the Bretton Woods Agreements Act, so that it believes that no amendment of the Fund's Articles is necessary to satisfy the mandate of the Congress Moreover, this interpretation, requested by the United States, has become the basic criterion in the determination by the Fund whether individual requests to purchase currency from the Fund should be granted

The United States representatives on the Fund have urged that the Fund must continually examine the economic and financial situation of the member countries to determine whether their use of the Fund's resources would be consistent with the Fund Agreement This policy, fully supported by the Council, is intended to conserve the Fund's resources so that they may be used most effectively to achieve the objectives for which the Fund was created It is recognized that considerable flexibility in the Fund's operations is required because of the changing circumstances of particular countries or of the general international economic situation In dealing with this question, the most desirable procedure would clearly be for the member country and the Fund both to

understand in advance the conditions under which requests for currency would meet with the Fund's approval Unanticipated rejections of requests would be disturbing to the member involved, while, on the other hand, an automatic use of the Fund's resources would defeat its purposes Accordingly, on June 7, 1947, the Fund sent all members a memorandum on its policy regarding the use of its resources The Fund made it clear that it would consider carefully all requests for currency in the light of existing circumstances and that their requests for foreign exchange could be challenged by the Fund in cases where it had reason to question the correctness of the declaration The Fund indicated that it would study the situation in the member countries before, rather than after, the request for the purchase of exchange, and that unless the member had been informed to the contrary it could promptly purchase exchange from the Fund in moderate amounts In this way the member would have access to the Fund's resources as a second line of reserve On the other hand, the members were informed that where the Fund felt that members should have no access to the Fund's resources, or only limited access the matter would usually be handled informally in advance so that the member could avoid submitting requests which might be rejected

A number of countries have been informally advised that the Fund did not regard it as desirable for them to use the Fund's resources under prevailing circumstances, and these countries have refrained from making requests for exchange In certain instances after conditions in a given country have improved, the Fund has subsequently informed it that it might purchase currencies from the Fund By these informal and confidential arrangements, possible misunderstanding has been avoided The United States representatives on the Fund, with the agreement of the Council, have strongly urged this position in the Fund Board, and the representatives of the the other countries have generally supported policies best suited to the long-run interests of the fund as an institution for promoting exchange stability and the expansion of world trade In the opinion of the Council, this practice of continuous consultation in the Fund Board has helped to develop a wider appreciation among the member countries of the problems of the other countries and has influenced the policy of many of the member countries in the proper direction

The exchange operations of the Fund have been moderate despite the widespread and acute need for dollars by most of the member countries during this period Approximately $500,000,000 of the Fund's resources was used by members, largely the European countries, in the first year of operations But these countries have also, at the same time, used up large parts of their gold and dollar resources and the lines of credit extended to them by agencies of the United States Government The European Recovery Program will have considerable effect on the course of the Fund's operations during the life of the program The participating countries will receive aid from the United States, designed to cover a large part of their dollar requirements which they are not able to finance from other resources hitherto available, and in estimating these resources no allowance has been made for drawings from the Fund The participating countries should have little occasion to require United States dollar assistance from the Fund except under unforeseen and exceptional circumstances Non-European countries will also benefit from the recovery program, since dollars will become available to them for goods procured outside of the United States for the purposes of the program Consequently, aid under this program will make it easier to preserve the resources of the Fund for the post-transitional period, when they can be used more directly and effectively for the attainment of exchange stability and the elimination of discriminatory currency practices

V Conclusion and recommendations

The National Advisory Council believes that the Fund has made considerable progress toward achieving its objectives, despite the existence of serious obstacles to its success In the first two years of its operations the Fund has created a satisfactory mechanism for the establishment, maintenance, and modification of exchange rates The member countries have submitted their exchange rates to the scrutiny of an international body and have consulted with it about the basic problems involved in the maintenance of exchange stability In the opinion of the Council, the Fund has given valuable advice to the member countries about their financial and exchange policies The Council believes that the existing pattern of exchange rates is not by any means satisfactory for all countries, but

it is fully cognizant of the difficulties in establishing rates which can be maintained by the member countries without undue recourse to the Fund under the circumstances prevailing in the world today.

The postwar financial crisis has proved to be far more serious than was anticipated at the time the Fund was established. The disruption of the economies of the countries involved in the war, along with the unfavorable conditions affecting their crops and their industrial production, have increased their need for dollars. Despite the large amount of aid and credit extended by the United States Government, the countries of the world, particularly in Europe, have been unable to return to normal economic conditions within three years after the war. The Congress has recognized the need for special assistance to the European countries and to China. This aid should materially contribute to the restoration of levels of production and international trade which will make the realization of the Fund's purposes more probable. In the opinion of the Council, the exchange rates of some of the European countries will require adjustment during the life of the European Recovery Program. It believes that the Fund provides a satisfactory means for critical evaluation of exchange policies, as well as orderly procedure for their modification.

The Council believes that the Fund can make a significant contribution to economic recovery by its advisory activities with regard to foreign exchange problems and related fiscal and monetary policies. This advisory function will be a useful supplement to the consultative work of the Economic Cooperation Administration in the case of countries participating in the European Recovery Program. The Fund's advice should prove particularly valuable in matters of foreign exchange, monetary stabilization, or other matters related to its specialized interest.

Among the objectives of the Fund has been the progressive removal of exchange controls and the elimination of multiple currency practices. The great shortage of foreign exchange in most countries has prevented them from removing more or less rigid control over the foreign exchange transactions of their nationals. The dangers of capital flight are considerable, while exchange resources might be dissipated in unessential purchases if there is not careful husbanding of exchange by public authorities. Moreover, the multiple currency practices of some of the countries have been so firmly established in their economic and financial systems that time will be needed to secure their eventual removal in line with the Fund's policies. Despite these handicaps, the Fund has succeeded in some cases in obtaining modifications of exchange systems in accordance with its purposes. The Council believes that the Fund should be able to secure additional changes in the coming years.

The Council also believes that the Fund has succeeded in steering the proper course in the use of its resources in the course of the last year. The Fund has endeavored to reconcile the use of its assets for the purposes for which the Fund was created with the practical exigencies of this disordered period in world finance.

The National Advisory Council is of the opinion that there has been entirely satisfactory coordination of the policies and operations of the United States representatives on the Fund with the activities and policies of the United States Government. The United States Executive Director on the Fund and his alternate have regularly attended the Council's meetings and have participated in the work of its staff committee and special working groups. The Executive Director has submitted regular reports to the Council and has given special reports as needed. The Council has been kept fully informed of actions taken and matters under consideration by the Fund. The Council has also supplied the United States Executive Director with the information and studies available to the United States agencies represented in the Council.

The Council and the United States representatives on the Fund Executive Board have been in agreement with the policies pursued by the Fund. The United States Executive Director and his alternate have been fully apprised of United States policies affecting their work. All important matters have been referred to the Council by the Executive Director, and the Council has given him advice and direction. As the result of this policy, the decisions taken by the Fund Board have been in harmony with the views of the Council.

The Fund has made considerable forward strides, and it is the expectation of the Council that further progress will be made in the next few years. While it may be necessary in the future to suggest amendments to the Articles of Agreement, it is the opinion of the Council that amendment of the Articles at this time would be unwise, since the experience of the last two years indicates that the

objectives can be achieved by proper application of the existing agreement The Council also at this time does not recommend any change in the amount of the United States subscription to the Fund

The Council believes that the objectives of the Fund parallel those of the United States in the field of international finance The maintenance of exchange stability, the orderly adjustment of exchange rates, and the progressive removal of controls over current exchange operations are accepted objectives of United States international policy now, as they were in 1944, when this Government took the lead in the establishment of the Fund The Council recognizes that the unusual conditions prevailing in the postwar period have delayed the realization of these objectives, but it also realizes that more rapid progress was scarcely possible under existing conditions It believes that the Fund can more fully achieve its purposes in the future years and that it will have an especially important function in conjunction with the European Recovery Program and other measures which the Congress may see fit to adopt to assist in the economic recovery of the world

The existence of the Fund as an international consultative body is of great importance to the United States The Council believes that the international financial policies of the United States can be furthered most effectively through continued participation in an international body of this kind In the opinion of the Council, the Fund may be expected to make an increasingly important contribution toward maintaining conditions of international economic stability, which are vital to the well-being of the United States

JOHN W SNYDER,
Secretary of the Treasury, Chairman of the National Advisory Council on International Monetary and Financial Problems

G C MARSHALL,
Secretary of State

CHARLES SAWYER,
Secretary of Commerce

THOMAS B MCCABE,
Chairman, Board of Governors of the Federal Reserve System

WM MCC MARTIN, JR,
Chairman, Board of Directors of the Export-Import Bank of Washington

PAUL G HOFFMAN,
Administrator for Economic Cooperation

APPENDIX A

TRANSACTIONS IN GOLD AT PREMIUM PRICES

The following statement was communicated by the Fund to all members in a letter of June 18, 1947

"The International Monetary Fund has given consideration to the international gold transactions at prices substantially above monetary parity which have been taking place in various areas of the world Because of the importance of this matter, the Fund has prepared this statement of its views

"A primary purpose of the Fund is world exchange stability, and it is the considered opinion of the Fund that exchange stability may be undermined by continued and increasing external purchases and sales of gold at prices which directly or indirectly produce exchange transactions at depreciated rates From information at its disposal, the Fund believes that unless discouraged this practice is likely to become extensive, which would fundamentally disturb the exchange relationships among the members of the Fund Moreover, these transactions involve a loss to monetary reserves, since much of the gold goes into private hoards rather than into central holdings For these reasons, the Fund strongly deprecates international transactions in gold at premium prices and recommends that all of its members take effective action to prevent such transactions in gold with other countries or with the nationals of other countries

"It is realized that some of these transactions are being conducted by or through non-member countries or their nationals The Fund recommends that members make any representations which, in their judgment, are warranted by the circumstances to the governments of non-member countries to join with them in eliminating this source of exchange instability

"The Fund has not overlooked the problems arising in connection with domestic transactions in gold at prices above parity The conclusion was reached that the Fund would not object at this time to such transactions unless they have the effect of establishing new rates of exchange or undermining existing rates of other members, or unless they result in a significant weakening of the international financial position of a member which might affect its utilization of the Fund's resources

"The Fund has requested its members to take action as promptly as possible to put into effect the recommendations contained in this statement "

Appendix B

STATEMENT BY THE SECRETARY OF THE TREASURY AND THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM ON GOLD TRANSACTIONS AT PREMIUM PRICES, JULY 18, 1948

It is well known that active speculative markets in gold exist in various foreign countries For the most part, these markets are illegal, though in a few instances importation or sale of gold is legal or is tolerated Under present circumstances gold is traded in many foreign centers, often against United States dollars, at prices above monetary parities The premiums differ from one center to another, so that speculators can make large profits by purchasing gold in one foreign market and selling it in another

The International Monetary Fund recently issued a statement deprecating international dealings in gold at premium prices, and requesting member countries to take such action as they can within their jurisdictions to prevent such dealings The Fund emphasized that these transactions tend to undermine exchange stability and cause gold to flow into private hoards rather than into monetary reserves Furthermore, in countries where the gold is sold, payment is often made with dollars illegally acquired or held Moreover, foreign exchange which otherwise could be used for sorely needed imports is diverted to the purchase of gold for private hoards

In view of these circumstances, and on general grounds of the national policy, the Treasury Department and the Board of Governors of the Federal Reserve System request American individuals, banks, and business enterprises to refrain from encouraging and facilitating this traffic and in particular to refrain from extending the use of their facilities and funds for the carrying out of such transactions

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Exhibit 20 —Report of activities of the National Advisory Council on International Monetary and Financial Problems, October 1, 1947, to March 31, 1948

[House Document No 737, 80th Congress, 2d session]

Letter of Transmittal

To the Congress of the United States

I transmit herewith a report of the National Advisory Council on International Monetary and Financial Problems, covering its operations from October 1, 1947, to March 31, 1948, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period

Previous reports of the National Advisory Council were transmitted to the Congress on March 1, 1946, March 8, 1946, January 13, 1947, June 26, 1947, January 19, 1948, and May 17, 1948, respectively In addition to the First Special Report on the Operations and Policies of the International Monetary Fund and the International Bank for

Reconstruction and Development, submitted on May 17, 1948, previous reports on the participation of the United States in the International Monetary Fund and the International Bank were included in the reports of January 13, 1947, June 26, 1947, and January 19, 1948, respectively

HARRY S TRUMAN

THE WHITE HOUSE, *August 3, 1948*

REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS, OCTOBER 1, 1947, TO MARCH 31, 1948

I ORGANIZATION OF THE COUNCIL

Statutory basis

The National Advisory Council on International Monetary and Financial Problems was established by the Congress in the Bretton Woods Agreements Act (59 Stat 512, 22 U S C 286b), approved July 31, 1945 The statute directed the Council to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and all other agencies of the Government "to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions" The Council was also directed to advise and consult with the President and the United States representatives on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank, and to recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and Bank The Bretton Woods Agreements Act was amended by section 106 of the Foreign Assistance Act of 1948 (62 Stat 169, 22 U S C 286b (a)), approved April 3, 1948, to include the Administrator for Economic Cooperation as a member of the Council for the duration of the program The Council was also given certain additional duties with regard to the economic assistance program The relevant portions of the Bretton Woods Agreements Act and of the Foreign Assistance Act of 1948 are presented in appendix A

Reports

Since its first meeting on August 21, 1945, the Council has submitted six formal reports which were transmitted by the President to the Congress on March 1, 1946 (H Doc No 489, 79th Cong, 2d sess, subsequently included as appendix B to H Doc No 497, 79th Cong, 2d sess), March 8, 1946 (H Doc No 497, 79th Cong, 2d sess), January 13, 1947 (H Doc No 53, 80th Cong, 1st sess), June 26, 1947 (H Doc No 365, 80th Cong, 1st sess), January 19, 1948 (H. Doc No 501, 80th Cong, 2d sess), and May 17, 1948 (H Doc No 656, 80th Cong, 2d sess)

The present report covers the activities of the Council from October 1, 1947, to March 31, 1948 This report supplements the report of

May 17, 1948, which was the first of the special biennial reports required by section 4 (b) (6) of the Bretton Woods Agreements Act on the activities and policies of the International Monetary Fund and the International Bank In the sections which follow, an effort will be made to describe, in broad outline, the financial assistance the United States Government has rendered to the various nations of the world during the period of postwar reconstruction

Membership

The members of the Council, according to law, during the period under review, were the following

The Secretary of the Treasury, John W. Snyder, Chairman,
The Secretary of State, George C Marshall,
The Secretary of Commerce, W Averell Harriman
The Chairman of the Board of Governors of the Federal Reserve System, Marriner S Eccles,
The Chairman of the Board of Directors of the Export-Import Bank, William McChesney Martin, Jr

By agreement, the following served as alternates

Frank A Southard, Jr, Director of the Office of International Finance, Treasury Department
Willard L Thorp, Assistant Secretary of State for Economic Affairs
Thomas C Blaisdell, Jr, Assistant to the Secretary of Commerce
J Burke Knapp, Assistant Director of Research and Statistics, Board of Governors of the Federal Reserve System
Herbert E Gaston, Vice Chairman of the Board of Directors of the Export-Import Bank

John W Gunter, Deputy Director of the Office of International Finance in the Treasury Department, was the Secretary of the Council.

The United States Executive Directors on the International Monetary Fund, Andrew N Overby, and on the International Bank for Reconstruction and Development, Eugene R. Black, or their alternates, regularly attended the meetings of the Council.

Procedure

The Council ordinarily meets each week and holds such special meetings as are required Joint meetings with the President's Committee for Financing Foreign Trade have also been held during the period.

The Council in discharging its functions makes use of the services of the existing personnel of its member agencies Its Staff Committee consists of technical representatives of member agencies and a representative of the Securities and Exchange Commission The Alternate United States Executive Directors on the International Monetary Fund and the International Bank generally attend meetings of the Staff Committee The Staff Committee collects and analyzes information and prepares reports and recommendations for the Council. This procedure has enabled the Council to maintain the close interagency liaison essential for successful performance of its coordinating functions in the most efficient manner Secretariat functions are performed by personnel of the Treasury Department

II THE UNITED STATES FOREIGN ASSISTANCE PROGRAM

The postwar problem of reconstruction

By the middle of 1945 it became clear that many of the countries of Europe and Asia would urgently need foreign assistance for the reconstruction of their economies There had been widespread physical damage in some areas so that industrial and transportation equipment would have to be replaced in order to bring production up to prewar levels There was also a serious shortage of foodstuffs and raw materials Even where the physical damage was unimportant, the war had produced serious economic dislocations The normal channels of trade had been disrupted, while the financing of current requirements had become increasingly difficult in view of the insistence upon payment in dollars or other hard currencies on the part of those countries which were in a position to supply needed commodities

Europe occupied a central position in the postwar problem as the principal supplier of manufactured goods to large areas and as the principal purchaser of basic raw materials European countries particularly depended upon extensive international trade so that the financial difficulties of carrying on normal trade relations assumed great importance Moreover, in the attempt to deal with the postwar problem, the European countries had made bilateral trade and payments agreements which, though they permitted the resumption of a considerable part of the trade, tended nonetheless to restrict it to well-defined channels and to limit it in amount

The postwar situation tended to increase the balance-of-payments difficulties of many countries with the United States The United States had had for many years a commodity export surplus with the rest of the world, and with Europe in particular, though the United States imported more from Asia than it exported The European countries, on the other hand, purchased more from the United States than they sold to it, and obtained some of the dollars for meeting this deficit from their exports of goods and services to other parts of the world In part, the trade deficit with the United States had been met with surpluses on European earnings from the "invisible items" in the balance of payments, e g , tourist expenditures, remittances, and payments for services such as shipping To some degree the deficit had been financed by American investments abroad

In the postwar period, however, the current account deficit of foreign countries with the United States increased enormously Thus, in 1946, the United States supplied $15,300,000,000 in goods and services to other countries while it received only $7,100,000,000 in goods and services from them, resulting in a surplus of $8,200,000,000 In 1947 our surplus on international account reached $11,300,000,000, with total exports of goods and services reaching the high point of $19,600,000,000 This situation was the result of the favorable economic position in which the United States found itself at the termination of active hostilities, and the difficulties caused by the war in other areas During the war our productive capacity had expanded while the continuance of a high level of employment raised production and the national income of the United States to new high

levels While many of the European countries were able to increase their production in the immediate postwar period to levels comparable to their prewar output, this result was in part made possible by assistance given by the United States A large part of this production was for reconstruction purposes and was not available to consumers

In the period between July 1, 1945, and December 31, 1947, foreign countries received $41,600,000,000 in goods and services from the United States As shown by chart I [omitted here], they paid for these goods by exports of goods and services to the United States amounting to $19,200,000,000, and by the use of gold and dollar reserves paid to the United States amounting to $5,300,000,000 United States foreign-aid programs of various sorts provided $14,600,000,000, and the balance of $2,500,000,000 consisted mainly of changes in private American investments abroad, foreign investments in the United States, and private gifts and other unilateral transfers

Decline in foreign gold and dollar resources

In their attempt to obtain needed supplies from the United States and other countries which expected payment in dollars, those countries of the world which had gold and dollar resources used a considerable portion to pay for their international deficits Thus foreign countries in 1945 had gold and short-term dollar assets amounting to $23,000,000,000, whereas at the end of 1947 these resources were reduced to $17,800,000,000 The gold and dollar resources of the foreign countries at the end of 1945, 1946, and 1947 are given in the following table The European countries participating in the Paris Committee for Economic Cooperation lost reserves during this period amounting to $2,800,000,000 (more than one-fourth of their total reserves), of which $1,800,000,000 was in gold

Gold and short-term dollar resources of foreign countries, December 1945 to December 1947

[In billions of dollars]

Area	Total			Gold			Dollar balances		
	1945	1946	1947	1945	1946	1947	1945	1946	1947
Total all areas	23 0	21 7	17 8	16.0	15 7	13 0	7 0	6 0	4 8
Total Europe	13 6	13 2	11 2	10 6	10 5	9 1	3 0	2.7	2.1
ERP countries	10.3	9 6	7 5	7 4	7 1	5 6	2.9	2.5	1 9
Other Europe [1]	3 3	3 6	[1]3 7	[1]3 2	[1]3 4	3 5	1	2	2
Latin America	3 8	3 7	2.9	2.8	2 6	1 7	1 0	1 1	1 2
Canada	1 8	1 4	7	4	5	3	1 4	9	4
Other countries	3 8	3 4	3 0	2 2	2.1	1.9	1 6	1 3	1 1

NOTE —*For details for December 1947, see table A, appendix B*

[1] Includes estimates for Union of Soviet Socialist Republics gold holdings Figures also include gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold to claimant countries, including ERP countries in accordance with the Paris Reparations Agreement

The consequence of this decline in gold and dollar balances was that most countries of the world in 1948 had inadequate resources in gold and foreign exchange to maintain working balances in foreign exchange and gold or foreign exchange reserves for their note issues In the appendix are included statements of the gold transactions of foreign countries with the United States, and estimates of the gold and dollar resources of these countries as of December 31, 1947

United States foreign assistance

Confronted with the problems of postwar reconstruction throughout the world, the United States took measures designed to meet its new responsibilities In accordance with their statutory authority, agencies of the United States made loans, extended credits, or made available grants and other financial assistance to various foreign countries These agencies included the Treasury Department, the Export-Import Bank, the Office of Foreign Liquidation Commissioner, the Maritime Commission, the War Assets Administration, the Reconstruction Finance Corporation, the Commodity Credit Corporation, the U S Commercial Company, and various branches of the military establishment

Loans were made chiefly by the Export-Import Bank and by the Treasury Department In 1945 the Congress increased the lending authority of the Export-Import Bank from $700,000,000 to $3,500,000,000 The Bank used a large part of this authority to make rehabilitation loans, principally to the western European countries These loans were, as a general rule, made to finance the purchase of materials or equipment available in the United States and to a small extent for the technical services of American nationals To deal with the special problems of the United Kingdom in the transitional postwar period, the Congress authorized the Treasury Department to make a loan of $3,750,000,000 to assist that country in meeting its postwar deficit on current account The loan was intended also to assist the United Kingdom to make sterling accruing on current transactions convertible into dollars or other currencies

Various credit arrangements were entered into by United States agencies charged with the responsibility for disposing of property of the Government not needed for domestic purposes Thus agreements were made with foreign countries for financing over a long period goods which had been requested by the foreign governments on lend-lease account prior to VJ-day but which had not yet been delivered to them The Office of Foreign Liquidation Commissioner at the end of hostilities had surplus materials which had an original cost of some $10,000,000,000 It disposed of these materials, which were located in foreign countries, to foreign governments, so that the total unsold surplus remaining at the end of 1947 amounted (at cost) to about $1,200,000,000 The War Assets Administration was charged with the disposal of surplus property located in the United States While the bulk of this property was sold to Americans, a part was sold to foreign governments on credit The Maritime Commission similarly sold surplus shipping to foreign governments in accordance with the authorization of the Congress The Commodity Credit Corporation and the U S Commercial Company supplied raw cotton and other

materials on credit to Germany and Japan In accordance with a special act of Congress, a loan to the Philippines was made by the Reconstruction Finance Corporation

The Council has constantly reviewed the foreign-aid programs considered by it during the postwar period Pertinent statistical information prepared by the Clearing Office for Foreign Transactions of the Department of Commerce, for the Council, has been summarized in appendixes C and D and presented graphically in charts 2, 3, 4A, and 4B [charts omitted here] The course of United States foreign aid in the 2½-year period between July 1, 1945, and December 31, 1947, is presented in these charts and statistical tables

A net total of $18,200,000,000 of United States assistance was made available during the period July 1, 1945, through December 31, 1947. The average rate of expenditure of the $14,600,000,000 of United States aid utilized during the 2½-year period was about $500,000,000 per month With $3,600,000,000 unutilized as of December 31, 1947, a projection of this rate of expenditure for the early part of 1948, indicated a rapid exhaustion of the amount of funds available The unutilized funds were unevenly distributed as of December 31, 1947, since several of the participating countries had by that date almost completely exhausted the aid extended to them These funds, therefore, appeared barely sufficient to meet the existing need for aid until the start of the proposed European Recovery Program

During the first phase of United States postwar aid extending from July 1, 1945, to June 30, 1946, the bulk of assistance utilized was in the form of grants, including UNRRA and military-civilian supplies for "disease and unrest" programs In the second phase of United States postwar aid between July 1, 1946, and March 31, 1948, the bulk of assistance utilized was in the form of loans and property credits, including the loan to the United Kingdom, Export-Import Bank loans, and property credits extended by the Office of Foreign Liquidation Commissioner Up to December 31, 1947, slightly more than one-half of all aid was rendered in the form of loans and property credits, while the remainder was in the form of grants, including relief to war-devastated areas

Toward the end of the fiscal year 1947 it had become clearly apparent that continued foreign assistance on a large scale by the United States would be necessary if there was not to be a serious setback in the recovery of European countries While they had been able to attain a high level of production, they were still dependent upon the United States economy for a large part of their supplies and needed equipment The foreign loans and credits which had previously been extended by the United States were largely exhausted The Export-Import Bank had lent the bulk of the funds available to it, the United Kingdom had used up a large part of its credit, while other countries were clearly in need of assistance to meet their balance-of-payments deficits with the Western Hemisphere It was clear that only the United States could, in practice, provide assistance to the extent required In a special message to the Congress in December 1947, the President requested authorization of a program of assistance to Europe and to China The European Recovery Program for the period April 1, 1948, to June 30, 1952, was expected to require $17,000,000,000. The President recommended an appropriation of

$6,800,000,000 for the initial period of 15 months The Foreign Assistance Act, approved April 3, 1948, authorized appropriations of $4,300,000,000 and debt transactions of $1,000,000,000 for the European Recovery Program for the 1-year period following enactment of the act (The appropriation approved June 28, 1948, made available until June 30, 1949, a total of $6,030,710,228 for foreign aid, including $4,000,000,000 for the European Recovery Program The act gives the President authority on the advice of the Administrator for Economic Cooperation to expend the funds for the European program in a 12-month period if he deems it necessary)

To provide assistance in the period before the expected passage of the act, the President requested interim aid for France, Italy, and Austria, countries whose immediate situation was most acute The Congress appropriated $522,000,000 for this interim aid program In March 1948 the Congress also appropriated an additional sum of $55,000,000 for further interim aid for the period until funds became available under the Economic Cooperation Act

III ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1947, TO MARCH 31, 1948 (OTHER THAN THOSE RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK)

The Anglo-American Financial Agreement

Previous reports of the National Advisory Council have traced developments under the Anglo-American Financial Agreement up to the suspension of the convertibility of sterling and cessation of notification of withdrawals under the line of credit, both effective August 20, 1947 Up to the date of the temporary cessation of withdrawals against the line of credit, the British Government had obtained the following amounts

1946—Third quarter	$400, 000, 000
Fourth quarter	200, 000, 000
1947—First quarter	500, 000, 000
Second quarter	950, 000, 000
Third quarter	1, 300, 000, 000
Total through third quarter of 1947	3, 350, 000, 000
Remaining line of credit	400, 000, 000
Total line of credit	3, 750, 000, 000

Consultations between the two Governments continued and, in an exchange of letters with the Chancellor of the Exchequer, the Secretary of the Treasury, on December 5, 1947, agreed that it was appropriate for the United Kingdom to resume withdrawals against the line of credit In reviewing the events leading to this exchange of letters, the Secretary of the Treasury recalled that withdrawals against the credit were temporarily discontinued in August on the basis of mutual agreement between the two Governments The action had been taken simultaneously with the institution of emergency steps by the United Kingdom to stop the unanticipated and excessive drawing on its resources following the granting of free convertibility of sterling in July 1947 In his statement to the press, the Secretary of the Treasury pointed out, however, that while progress had been made toward

working out a satisfactory agreement dealing with the convertibility of sterling, serious economic conditions existing in the world would delay for some time the restoration of full convertibility In this connection, he noted that there were, in general, no restrictions on the convertibility of sterling held on current account by United States residents

Drawings against the remaining line of credit were as follows

Balance on hand at beginning of fourth quarter, 1947	$400, 000, 000
Drawings	
Dec 8, 1947	100, 000, 000
Jan 2, 1948	100, 000, 000
Feb 4, 1948	100, 000, 000
Mar 1, 1948	100, 000 000

Export-Import Bank credits

During the period under review, the Council continued to work closely with the Export-Import Bank in order to coordinate the Bank's policies with those of other agencies concerned with foreign lending New credits authorized by the Bank during this period totaled $372,500,000, including $300,000,000 to Canada and $50,000,000 to Belgium

In October 1947 the Canadian Government applied to the Export-Import Bank for a credit of $300,000,000 for the purpose of assisting Canada to continue importing essential equipment and industrial raw materials from the United States, with a view to maintaining a high level of production in Canada Canada in 1947 experienced a substantial loss of gold and dollar reserves as a result of a deficit in its trade with the United States, while it had a surplus in its trade with European countries Without credit assistance from the United States, the Canadian Government probably would have been obliged to impose drastic and possibly discriminatory restrictions on imports from the United States in order to halt the loss of gold and dollar reserves With limited credit assistance it was possible to meet the situation with much less drastic and entirely nondiscriminatory trade restrictions

The Council noted that Canada has consistently supported the United States policy aimed at the reduction of trade barriers and the resumption of multilateral trade, that the extension of credits by Canada has helped to reduce the foreign financing burden of the United States, and that Canada was likely to continue extending such credits and thus to aid the United States in financing the European Recovery Program The Council also noted that Canada's difficulty appeared to be temporary, and therefore approved consideration by the Export-Import Bank of a credit to Canada in an amount up to $300,000,000

On November 12, 1947, the Export-Import Bank set aside for this purpose $300,000,000 of its uncommitted funds An agreement covering a line of credit of $300,000,000 to Canada was signed on January 8, 1948 The agreement provided that the credit would be available until December 31, 1948, and that interest at the rate of 2½ percent per annum would be paid on amounts outstanding The Canadian Government agreed to pay one-half of 1 percent during the

life of the credit on any portion not utilized The agreement also provided that if during the availability of the line of credit Canada borrowed funds for a term of 5 years or less from the private capital market in the United States such funds would be applied to the reduction of the line of credit

The application of the Belgian Government for a loan to the National Bank of Belgium was based on the temporary need of that country for assistance in maintaining purchases of essential raw materials and equipment in the United States, with a view to making possible the continuance of a high level of industrial production The Belgian Government anticipated that banks and other private investors in the United States might participate or take a portion of the credit requested The Council approved consideration by the Export-Import Bank of a loan to Belgium in an amount up to $50,000,000 On November 26, 1947, the Export-Import Bank announced that it was prepared to extend a credit of $50,000,000, this credit to be available until December 31, 1948, at a rate of interest to be determined in accordance with the policy of the Bank not to compete with private capital This was followed by the announcement of March 15, 1948, that the Export-Import Bank and seven United States commercial banks had made the sum of $50,000,000 available to Belgium through the purchase of promissory notes of the Government of Belgium unconditionally guaranteed by the Banque Nationale de Belgique The notes bear interest at the rate of 3½ percent per annum and mature semiannually over a period of 5 years The commercial banks purchased $18,000,000 of the $50,000,000, and the Export-Import Bank purchased the remaining $32,000,000

In the case of several other countries which had applied to the Export-Import Bank for loans, the Council did not recommend consideration

In February 1948 the Export-Import Bank asked the advice of the Council concerning a loan request of the Lockheed Aircraft Corp for assistance in financing the sale to the British Overseas Airways Corp of aircraft and related equipment The Export-Import Bank had been requested to participate in the amount of $22,500,000 representing 75 percent of the purchase price of $30,000,000, and the Council approved consideration by the Bank of this request

In March 1948 the Export-Import Bank and the State Department requested consideration by the Council of a proposal for an increase of $500,000,000 in the lending authority of the Bank This increase was proposed primarily in the light of the pressing need of Latin America for financial assistance in carrying forward its economic development It was pointed out that although private capital and the International Bank could supply substantial amounts of such assistance, they might not be able to meet the entire need It was also pointed out that it would be in the national interest of the United States to help to develop nearby sources of raw materials which are regularly imported or are becoming increasingly scarce in our domestic economy However, the Bank could not consider Latin America to the exclusion of all other areas, and prudent management required the maintenance of a substantial uncommitted balance In utilizing the proposed additional lending authority, the Bank contemplated no departure from the criteria generally applied in the consideration of

loan applications In view of these considerations the Council supported the proposal to increase the lending authority of the Bank by $500,000,000

As of March 31, 1948, the resources of the Export-Import Bank were distributed as follows'

Total lending authority	$3, 500, 000, 000
Loans outstanding	2, 098, 000, 000
Undisbursed commitments	870, 000, 000
Unutilized lending authority	532, 000, 000

The following table shows the distribution of net credits authorized by country and object of financing

Net credits authorized by the Export-Import Bank,[1] July 1, 1945, to Mar 31, 1948

[In millions of dollars]

Area and country	Total	Lend lease requisitions	Reconstruction	Development	Cotton purchases [2]	Other
Total, all areas	2,713 0	655.0	1,181 5	722.3	133 4	20 8
Total Europe	2,004 0	655 0	1 044 7	180 2	100 4	18 3
France	1 200 0	550 0	650 0			
Netherlands	205 4	60 0	[3] 152 2	3 2		
Belgium	132 0	55 0	45 0	[3] 32 0		
Italy	131 9			101 9	25.0	[4] 5 0
Finland	84 5		62.5		12.0	[5] 10 0
Norway	50 0		50 0			
Poland	40 0		40 0			
Turkey	36.1			36 1		
Greece	25 0		25 0			
Czechoslovakia	22.0				20 0	[4] 2.0
Denmark	20 0		20 0			
Germany	19 0				[5] 19 0	
Austria	14.3			13 0		[6] 1 3
Unallotted cotton credits	24 4				24 4	
Total, North America Canada	300 0			300 0		
Total Asia and Africa	200 4		136 8	30 6	33 0	
Netherlands Indies	100 0		100 0			
China	66 8		33 8		33 0	
Saudi Arabia	25 0			25 0		
Egypt	5 6			5 6		
Ethiopia	3 0		3 0			
Total Latin America	183 0			183 0		
Brazil	66 2			66 2		
Mexico	57 0			57 0		
Chile	47 4			47 4		
Colombia	5 0			5 0		
Ecuador	3 5			3 5		
Bolivia	3 0			3 0		
Venezuela	6			6		
Argentina	2			2		
Peru	1			1		
Total, miscellaneous	25 0			22 5		2 5

[1] Cancellations and expirations deducted Numerous small exporter importer loans extended by the Bank, July 1, 1945 through Mar 31 1948 excluded Also excluded are Mexican authorizations of $30 000 000 and a Peruvian authorization of $400,000 approved prior to June 30, 1945, recorded on Export Import Bank books subsequent to June 30, 1945

[2] Credits extended by Export-Import Bank under general approval of the Council Hungarian credit of $7,000,000 canceled Apr 2, 1947

[3] Excludes participation by private banks

[4] For financing tobacco purchases

[5] For financing food purchases

[6] Revolving credits (of $1,300,000 shown for Austria, $800,000 is revolving)

United States Maritime Commission foreign credits

Under the Merchant Ship Sales Act of 1946, the United States Maritime Commission was authorized, with certain limitations, to sell war-built vessels to foreign purchasers on credit terms The authority of the Maritime Commission to sell war-built vessels to noncitizens, on credit terms or otherwise, expired March 1, 1948 In the 5 months between September 30, 1947, and March 1, 1948, the Council considered new credits of $5,700,000 to Uruguay and $300,000 to Peru These amounts were in addition to previous unused authorizations to these countries The Council indicated that it had no objection to consideration by the Maritime Commission of these additional credits

Merchant ship sales on a credit basis to foreign nationals and governments as of Mar 31, 1948

[In millions of dollars]

Area and country	Credits made available by U S Maritime Commission	Credits utilized by purchasers
Total, all countries	260.0	186.3
Total, Europe	218 8	169 0
Italy	65 6	55 8
France	55 2	44 6
Greece	41 7	41 3
Norway	28.8	19 0
Netherlands	[1] 20 3	2 6
Turkey	6 0	4 9
Finland	1 2	8
Total, Asia	23 1	7 0
China	18 8	7 0
Philippines	3 1	
Iran	1 2	
Total, Latin America	18 1	10 3
Brazil	9 4	6 2
Peru	5 2	4 1
Uruguay	1 9	
Mexico	1 6	

[1] The sizable difference between the credits approved by the Commission and those utilized by the Netherlands Government is in part attributable to contract settlements on a cash basis

War Assets Administration foreign credits

During the period under review the War Assets Administration entered into credit agreements with Austria, the Netherlands, Norway, and Haiti The line of credit to Austria amounted to $10,000,000, to Norway $12,000,000, to the Netherlands $25,000,000, and to Haiti $255,000 In conformity with the recommendation of the Council, the agreements with Austria, Norway, and the Netherlands provided for serial payments over a 15-year period, with, however, payment in full in 3 years on those items which are subject to statutory limitations The agreement with Haiti provided for serial payments over a 6-year period, with the same restrictions on statutory items

Other credit requests received were from the Italian Government

for a credit of $5,000,000, the Iranian Government for a credit of $10,000,000, and the Government of Pakistan for a credit of $10,000,000 The Council approved for the consideration of the War Assets Administration the granting of these lines of credit, but as of March 31, 1948, negotiation of firm contracts had not been completed Several other countries have applied to the War Assets Administration for surplus-property credits In some instances the Council did not approve the applications for consideration by the War Assets Administration and in others action has been deferred or is still pending

Economic assistance to China

The Foreign Aid Act of 1947 authorized assistance to China During January 1948 the State Department submitted for consideration of the Council a proposal for authorization by Congress of an economic assistance program for China The purpose of this program was to provide immediate aid urgently needed by the people of China in the form of supplies of raw materials, foodstuffs, and equipment for which the Chinese Government's dwindling foreign-exchange reserves were inadequate In effect, the objective of the proposal would be to help China arrest the progress of deterioration in her economy and to provide a respite during which the Chinese Government could initiate measures necessary to rebuild her economy

It was contemplated that under the program a bilateral agreement between the United States and the Chinese Government would provide for the most effective use of the aid possible under the circumstances prevailing in China Without this program China would be faced with complete exhaustion of her foreign-exchange assets during 1948 and would not be able to maintain minimum import requirements It was the opinion of the Council that while the program would not necessarily prevent a further deterioration in the Chinese economic situation, it would help to stave off economic disaster and give China the opportunity, under favorable circumstances, to undertake the needed measures of self-help In no sense was the China aid program to be considered as an economic recovery program comparable to the European Recovery Program

The needs of China were considered by the Congress in conjunction with its consideration of the European Recovery Program, and the Foreign Assistance Act of 1948, as approved April 3, 1948, contained authorizations for assistance to China to a maximum amount of $463,000,000

German financial questions

During October 1947 representatives of the United States and United Kingdom Governments met to review the financial provisions of the bizonal fusion agreement of December 2, 1946 At these discussions British representatives proposed that the United Kingdom be relieved of the burden of providing dollars for German imports It was estimated that this burden would amount to $150,000,000 in the first 6 months of 1948, and to an additional $65,000,000 if the United Kingdom did not provide any more dollars during the remainder of 1947 The United States delegates to this conference agreed that this question should be referred to the Council

Because of the critical international financial position of the United Kingdom, the Council agreed that favorable consideration should be given to proposals for relieving the United Kingdom of the burden of dollar expenditures for civilian supplies for the bizonal area of Germany It was agreed, however, that if new circumstances and developments arose, the financial arrangement would be reconsidered

During the fall of 1947 the Council considered the financial terms of a proposed sale of United States Army surplus property located in Germany It was proposed to transfer to Germany (Bizonal Economic Council), by means of a bulk sale, all of the remaining surplus property of the United States Army located in Germany, whether already declared surplus or to be declared surplus in 1948, except certain property not permitted to the German economy such as aircraft, vessels, and nondemilitarized combat material

Of the total $875,000,000 original cost of the property, it was proposed that Germany pay 21 percent, or approximately $184,000,000 The surplus material included general- and special-purpose vehicles, construction equipment and materials, and clothing

The Department of the Army was of the opinion that the bulk of the unsold surpluses in Germany could not be moved out of the country during the winter of 1947–48 because of inadequate transportation facilities Moreover, the reduced strength of the occupational forces had imposed serious difficulties with respect to the care and custody of surplus property, and sale to Germany would terminate large expenditures necessary for the care, custody, handling, packing, and shipping of surplus property Finally, this surplus property, if injected into the German economy, would reduce the amount of United States appropriations required for the purposes of occupation

The Council therefore approved for the consideration by the Office of Foreign Liquidation Commissioner the financial terms in connection with this proposed bulk transfer of surplus property It was agreed that the contract with the Bizonal Economic Council, amounting to $184,000,000, would be a deferred charge repayable from the future proceeds of German exports and that the assumption of this obligation would be approved by the United States and United Kingdom military governments

Interim aid

In October 1947 the State Department requested the Council to consider a proposal for an appropriation by Congress for interim assistance to France, Italy, and Austria This request was based upon analyses of data submitted by the French and Italian Governments and by the United States military authorities in Austria

The necessity for interim financial assistance prior to action by Congress on the European Recovery Program arose when it became apparent that the three countries under consideration would not be able to finance their import requirements needed to maintain recovery levels without unduly depleting their limited reserves of gold or dollars Various special factors had contributed to the depletion of their dollar resources at a more rapid rate than had been previously anticipated The most significant factors had been the inability to convert sterling

into dollars or gold since August 1947, the increase in dollar prices, and the serious crop failures in western Europe in 1947

Interim aid was advocated not only on the basis of the immediate need of certain European countries for assistance, in preventing cold and hunger during the winter of 1947–48, but also of preventing a further deterioration in the economy of certain European countries in order to preserve the foundation on which a carefully considered recovery program could be based

The Council was of the opinion that the State Department's request for the interim European supply program for France, Italy, and Austria was appropriate and justified in the light of the foreign financial policy of the United States Government The Foreign Aid Act of 1947, approved December 17, 1947, authorized appropriations for assistance to these countries, and the Congress subsequently appropriated $540,000,000—to Austria, France, and Italy $522,000,000, and to China $18,000,000 An additional sum of $55,000,000 was appropriated by the Congress in March 1948 for further interim aid for the period until funds became available under the Economic Cooperation Act

Financial aspects of the European Recovery Program

As pointed out by the National Advisory Council in its report of activities from April 1 to September 30, 1947, the financial and monetary problems raised by the European Recovery Program had been under continuing study by the Council and its constituent agencies since the inception of the program The views and recommendations of the Council on these matters were summarized by its Chairman, the Secretary of the Treasury, in his statements before the Senate Committee on Foreign Relations on January 14, 1948, and the House Committee on Foreign Affairs on January 21, 1948 The text of the former statement (the content of which was substantially identical with the statement before the House committee) is given below [Statement omitted here, see exhibit 26]

Mobilization of foreign private dollar assets

The problem of tracing the private dollar assets in the United States of nationals of countries receiving aid under the European Recovery Program had been under review by the Council during the fall of 1947 and a program relating to this matter was presented by the Council to the Congress in February 1948 The Council believed that all reasonable assistance should be given to the participating countries to enable them to locate dollar assets of their nationals in the United States so that, if the participating governments so decided, these assets or the income therefrom could be used to assist in the financing of European requirements

In the public discussion of the program it had been also argued that the participating countries should pay for part of the program by utilizing their gold and dollar assets in the United States and by liquidating the American investments of their own citizens Moreover, it had been asserted that American taxpayers were being called upon to make substantial contributions to European recovery and

that liquidation of these assets would therefore constitute a means of relief to the American taxpayer The Council pointed out, however, that it would be unwise for the United States to force European countries to use their gold and dollar balances to the point where they would not have adequate funds to finance their international trade through ordinary commercial channels The dissipation of gold and dollar balances would also add a further element of instability to the monetary systems of these countries Moreover, investments in the United States earn an income which can be used to defray part of the cost of European requirements during the life of the program and in subsequent years To force the liquidation of invested assets would weaken the balance-of-payments positions of the participating countries in the future Accordingly, the Council took the position that the liquidation of dollar assets should not be a condition precedent to aid under the European Recovery Program but that assistance should be given to the participating countries in obtaining control of these assets

The problem of locating private dollar assets of foreign nationals stemmed from the fact that some individuals had for many years concealed their assets in the United States from their governments, despite the fact that the foreign-exchange laws of the recipient countries required that foreign-exchange assets be declared Some persons held property directly in their own names, while others held property indirectly through intermediaries in third countries, notably Switzerland

It is essential to distinguish between the categories of blocked assets and free assets Blocked assets are those which were frozen in the United States under the Foreign Funds Control of the Treasury Department In October 1945 machinery was put into effect to unblock these assets if the government of the country where the beneficial owner of the funds resided certified to the private American custodian holding the assets that there was no enemy interest The procedure was designed to find concealed enemy property However, not all of the blocked assets of the nationals of these countries were certified and, as a result, Foreign Funds still controlled a substantial amount of blocked assets Free assets include all of the dollar assets owned by the nationals of Great Britain, Turkey, and Ireland, previously blocked assets which have been unblocked, and assets accruing to nationals of the recipient countries after December 1945 Free assets are for the most part known to the governments of the recipient countries and are not part of the particular problem involved in locating assets

Precise figures on the amount of the blocked assets held directly in the names of citizens of recipient countries and indirectly through Swiss accounts were not available According to best estimates, there was approximately $700,000,000 of blocked assets in a form readily available for meeting the balance-of-payments deficits of recipient countries Of this amount, it was estimated that about $400,000,000 was held in the United States directly in the name of resident citizens, and the balance of about $300,000,000 was held indirectly through Switzerland

The Council believed that, in view of the extraordinary circumstances prevailing, the United States should assist the recipient coun-

tries to obtain control of the dollar assets of their nationals The Council doubted that under ordinary circumstances this Government should assist in enforcing the foreign-exchange laws of other countries, but it recognized that European countries needed these funds and had requested the assistance of the United States in obtaining control The Council concluded that no action should be taken with respect to free assets, but that the following program should be adopted in the case of assets now blocked

(1) Public notice would be given that at the end of 3 months, assets remaining blocked, including assets not certified by the appropriate foreign government as free from enemy taint, would be transferred to the jurisdiction of the Office of Alien Property in the Department of Justice

(2) In order to concentrate on areas where important results were likely to be obtained, accounts containing small amounts of property of less than $5,000 would be unblocked without requiring certification or other formalities, except where a known former enemy interest existed

(3) A new census of the assets which remained blocked as of the deadline date would be taken and the information from this census would be made available to governments of recipient countries

(4) Assets indirectly held would be dealt with by a vesting program Assets uncertified by the deadline date, whether in Swiss and Liechtenstein accounts or in accounts held through the nationals of recipient countries, would after receipt of the census information be vested under law as enemy property by the Office of Alien Property

In implementation of the program outlined to the Congress, the Secretary of the Treasury announced on February 27, 1948, that freezing controls had been removed from blocked accounts up to $5,000 held for persons residing in any country except Germany, Japan, Bulgaria, and Rumania, and on March 1, 1948, he announced that effective June 1, 1948, the Treasury Department would cease to have jurisdiction of blocked foreign funds The details of the program were as previously outlined The governments of the countries participating in the European Recovery Program were requested to give their residents public notice of the action which would be taken by the United States on June 1, 1948 (On April 27, 1948, it was announced that countries would have until September 1, 1948, to complete action on applications filed for certification as of June 1, 1948, and that the Treasury Department would, for administrative convenience, retain jurisdiction over blocked funds until September 1, 1948)

Other Council activities

The Council, in view of the Swedish foreign-exchange difficulties developing in the first quarter of 1948, authorized the State, Treasury, and Commerce Departments to negotiate suitable modifications of the existing agreements with Sweden so as to recognize the necessity for Sweden temporarily to delay payments to United States nationals for current transactions

In the spring of 1948, the Council considered a proposal of the State Department for an appropriation in the amount of $20,000,000 for

the relief of the United States-United Kingdom zone of Trieste during the period from April 1 to June 30, 1948, through amendment of the Foreign Aid Act of 1947 The Council expressed the opinion that the State Department's request was appropriate and justified in the light of the foreign financial policy of the United States Government The Economic Cooperation Act of 1948, while contemplating that Trieste would qualify as a participating country, provided for the amendment of the Foreign Aid Act of 1947 to authorize not more than $20,000,000 of assistance until such time as Trieste became eligible for assistance under the Economic Cooperation Act as a participating country

The Council considered and made recommendations with respect to the draft basic agreement for international economic cooperation which was referred to the Ninth International Convention of American States, held at Bogota, Colombia The Council recommended that the United States delegation to the Bogota Conference not support proposals to set up a new inter-American intergovernmental financial institution since organizations already in existence would be capable of handling appropriate international financing As pointed out in the section on the Export-Import Bank, the Council supported the proposal to increase the lending authority of the Export-Import Bank in order to place the Bank in a position to extend additional credits to Latin America

The Council took negative action on various other matters relating to foreign finance referred to it by agencies of the United States Government Where favorable consideration of the applications of foreign governments was recommended by the Council its conclusions are reported here The Council has followed the practice generally of not publicly reporting actions recommending against the extension of loans, credits, or other financial transactions with foreign governments, since it is of the opinion that the best interests of the United States would not be served by public disclosure of adverse actions which may affect the foreign relations of the United States with other friendly countries

During the period under review, the National Advisory Council met with the President's Committee for Financing Foreign Trade Particular attention was devoted to the European Recovery Program, and the Council gave careful consideration to the views and recommendations of the President's Committee for Financing Foreign Trade on the administration and financial aspects of the program

During the period the Council also submitted to the Senate Committee on Finance a report on foreign assets and liabilities of the United States and its balance of international transactions The National Advisory Council had undertaken to submit this material when the committee had under consideration Senate Resolution No 103, requesting information relative to loans and commitments to foreign governments and other financial statistics The report was published as a committee print (80th Cong , 1st sess) by the Senate Committee on Finance

IV ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1947, TO MARCH 31, 1948, RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Pursuant to statutory authority, the National Advisory Council continued to coordinate the activities of the United States representatives of the Fund and the Bank with those of other agencies of the Government by furnishing advice and assistance to facilitate the carrying out of their various functions The United States Executive Directors of both the Fund and the Bank, or their alternates, have regularly attended the Council's meetings, and have participated continuously in the work of its Staff Committee

Membership changes in the Fund and Bank

In the period under review, one new country, Finland, was admitted to membership in the Fund and the Bank At the recommendation of their Boards of Directors, the Governors of the two institutions, at the second annual meetings held in London in September 1947, approved the admission of Finland to the Fund with a quota of $38,000,000, contingent upon a subscription for an equal amount in the Bank Finland formally became the forty-sixth member of both the Fund and the Bank on January 14, 1948 The Council on March 25, 1948, approved of the admission of Austria to the Fund and to the Bank The Boards of Governors by subsequent vote, without a meeting, approved the Austrian membership application, providing for a quota in the Fund of $50,000,000, and a like amount as a subscription to the Bank Membership is open to Austria until August 31, 1948 The increase in Egypt's quota from $45,000,000 to $60,000,000, which had been approved at the second annual meetings, became effective during the month of March 1948, when Egypt notified her consent to the change and her application for a proportionate change in her subscription to the Bank A list of member countries, with their quotas and capital subscriptions as of March 31, 1948, is included in appendix E

Additional Executive Directors

At the London meetings of the Boards of Governors of the Fund and Bank in 1947, it was decided to provide for the election of a fourteenth Executive Director by those members who, as of December 31, 1947, were not entitled to appoint a Director, and who had not voted in an election for any Director This Director was to hold office until the next regular election in 1948 Pursuant to this, an election was held and, on February 5, 1948, announcement was made of the election of an Executive Director to both the Fund and the Bank representing Australia, Syria, and Lebanon

The Fund

In the 6-month period under review the Council gave consideration to various policy questions, all of which have been discussed in the First Special Report of the National Advisory Council on the Operations and Policies of the International Monetary Fund and the International Bank for Reconstruction and Development (H Doc No 656, 80th Cong , 2d sess , pp 10–17)

FUND EXCHANGE TRANSACTIONS

In the 6 months, October 1, 1947, to March 31, 1948, the Fund sold a total of $391,100,000 in exchange for their own currencies to member countries The sales of exchange for the respective periods and the countries purchasing exchange are indicated in the table below

Currency sales of the International Monetary Fund, Mar 1, 1947, to Mar 31, 1948

[In millions of dollars]

Country	Total	Oct 1 1947, to Mar 31, 1948	Mar 1, 1947 to Sept 30, 1947	
		United States dollars	United States dollars	Dollar equivalent of pound sterling
Total, all countries	600 1	391 1	203 0	6 0
Total Europe	540 8	356.8	178 0	6 0
United Kingdom	300 0	240 0	60 0	
France	125 0	25 0	100 0	
Netherlands	68 5	44 5	18 0	6 0
Belgium	33 0	33 0		
Denmark	6 8	6 8		
Turkey	5 0	5 0		
Norway	2.5	2.5	--	
Total, other countries	59 3	34 3	25 0	
India	28 0	28 0		
Mexico	22 5		22 5	
Chile	8 8	6 3	2 5	

The Bank

LOANS AND DISBURSEMENTS

During the period under review the Bank entered the field of development loans when the Board of Executive Directors approved two loans to Chile, totaling $16,000,000, bringing the total of loans approved as of March 31, 1948, to $513,000,000

Disbursement on loans in the 6-month period amounted to $170,000,000, bringing the total disbursed by the Bank as of March 31, 1948, to $403,000,000 France has withdrawn the entire amount of

her $250,000,000 loan, the Netherlands has utilized $138,000,000 of her $195,000,000 loan, Denmark $7,000,000 of her $40,000,000 loan, and Luxembourg $7,000,000 of her $12,000,000 loan

The loans to Chile consisted of $13,500,000 for hydroelectric development and $2,500,000 for the purchase of agricultural machinery Both loans are guaranteed by the Chilean Government The $13,500,000 loan, at an interest rate of 3½ percent, is for a term of 20 years, with amortization payments beginning in the sixth year calculated to retire the full amount by maturity The $2,500,000 loan, at an interest rate of 2¾ percent, is for a term of 6½ years, with amortization payments beginning in the third year calculated to retire the full amount by maturity In accordance with its Articles of Agreement, the Bank will also charge a commission of 1 percent annually to be set aside in the Bank's special reserve fund

In accordance with previous loan agreements made by the Bank, the contracts with Chile provide that the Bank shall be furnished with full information showing that the funds to be disbursed will be used for the purposes specified in the agreements, and that representatives of the Bank shall have full opportunity to check the end use to which all purchases are put

LEGISLATION

In this period the bonds of the Bank have become legal investments for life insurance companies in Massachusetts, Kentucky, and Virginia by action of the legislatures of these States The action in Massachusetts was particularly important first, because Massachusetts is often accepted as a pattern or guide by other States, and, second, because Massachusetts was the most important remaining State in the insurance field in which the Bank's bonds were not legal investments for insurance company assets The great bulk of investment funds represented by the assets of insurance companies, banks, and trusts is now eligible to buy the bonds of the Bank

FISCAL OPERATIONS

During the 6-month period the Bank reported a net income in excess of $3,000,000 exclusive of $1,500,000 paid into its special reserve As of March 31, 1948, the entire deficit incurred in the Bank's organizational period had been written off, and the Bank reported an accumulated net profit of $1,200,000 from operations, plus $2,000,000 in its special reserve

FUTURE LENDING

The Bank is expected to continue financing part of the European reconstruction effort As economic recovery of the war-devastated countries proceeds, accelerated through the stimulus of United States direct aid, it is felt that the Bank will be afforded an opportunity to finance a number of projects, particularly those calling for permanent

additions to capital equipment The Bank, as indicated by its recent loan to Chile, will concurrently consider developmental projects in Latin America and other areas which it now has under study

JOHN W SNYDER,
Secretary of the Treasury,
Chairman of the National Advisory Council on International Monetary and Financial Problems
G C MARSHALL,
Secretary of State
CHARLES SAWYER,
Secretary of Commerce
THOMAS B MCCABE,
Chairman of the Board of Governors of the Federal Reserve System
WM MCC MARTIN, JR,
Chairman of the Board of Directors of the Export-Import Bank of Washington
PAUL G HOFFMAN,
Administrator for Economic Cooperation

APPENDIX A

SECTIONS OF THE BRETTON WOODS AGREEMENTS ACT RELATING TO THE NATIONAL ADVISORY COUNCIL

(59 Stat. 512, 22 U S C 286b)

[For sections 4 and 14 of the act, omitted here, see the full text of the act in the Annual Report of the Secretary of the Treasury for 1945, beginning on page 382]

SECTIONS OF THE FOREIGN ASSISTANCE ACT OF 1948 RELATING TO THE NATIONAL ADVISORY COUNCIL

(62 Stat 169, 22 U S C 286b (a), 1509, 1513)

SEC. 106 Section 4 (a) of the Bretton Woods Agreements Act (59 Stat 512, 513) is hereby amended to read as follows,

"SEC 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the 'Council'), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank of Washington, and during such period as the Economic Cooperation Administration shall continue to exist, the Administrator for Economic Cooperation "

SEC 111 (c) (1) The Administrator may provide assistance for any participating country, in the form and under the procedures authorized in subsections (a) and (b), respectively of this section, through grants or upon payment in

cash, or on credit terms, or on such other terms of payment as he may find appropriate, including payment by the transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the participating country) of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources In determining whether such assistance shall be through grants or upon terms of payment, and in determining the terms of payment, he shall act in consultation with the National Advisory Council on International Monetary and Financial Problems, and the determination whether or not a participating country should be required to make payment for any assistance furnished to such country in furtherance of the purposes of this title, and the terms of such payment, if required, shall depend upon the character and purpose of the assistance and upon whether there is reasonable assurance of repayment considering the capacity of such country to make such payments without jeopardizing the accomplishment of the purposes of this title

(2) When it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat 526), as amended, make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems

[Section 115 (b) provides for the establishment of bilateral and multilateral agreements between the United States and the various recipient countries Such agreements shall] provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for—

> [Subsection] (6) placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis Such special account, together with the unencumbered portions of any deposits which may have been made by such country pursuant to section 6 of the joint resolution providing for relief assistance to the people of countries devastated by war (Public Law 84, Eightieth Congress) and section 5 (b) of the Foreign Aid Act of 1947 (Public Law 389, Eightieth Congress), shall be held or used within such country for such purposes as may be agreed to between such country and the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems, and the Public Advisory Board provided for in section 107 (a) for purposes of internal monetary and financial stabilization, for the stimulation of productive activity and the exploration for and development of new sources of wealth, or for such other expenditures as may be consistent with the purposes of this title, including local currency administrative expenditures of the United States incident to operations under this title, and under agreement that any unencumbered balance remaining in such account on June 30, 1952, shall be disposed of within such country for such purposes as may, subject to approval by Act or joint resolution of the Congress, be agreed to between such country and the Government of the United States

Appendix B

TABLE A.—*Estimated gold and short-term dollar resources of foreign countries, as of Dec 31, 1947*

[In millions of dollars]

Area and country	Total	Gold [1]	Short-term dollar balances
Total, all areas [2]	17 764	12,922	4,842
Total, Europe (excluding sterling area countries)	8,733	7,011	1,722
Total European Recovery Program participating countries (other than sterling area countries)	5 064	3 573	1,491
Austria	10	5	5
Belgian monetary area (including Luxembourg and Belgian Congo)	783	614	169
Denmark	85	32	53
French monetary area	770	570	200
(France)	(718)	(550)	(168)
(Dependencies in International Monetary Fund and French quota)	(52)	(20)	(32)
Germany	80		80
Greece	50	15	35
Italy	206	60	146
Netherlands and Netherlands West Indies	413	256	157
Norway	131	75	56
Portugal and dependencies	365	[3] 315	50
Sweden	164	105	59
Switzerland	1 791	1,356	435
Turkey	207	170	37
Total, other Europe	3 669	3,438	231
Bulgaria	26	25	1
Czechoslovakia	45	10	35
Finland	31	(4)	31
Hungary	42	34	8
Poland	92	60	32
Rumania	274	265	9
Spain and dependencies	123	111	12
Union of Soviet Socialist Republics	2,674	2,600	74
Yugoslavia	92	80	12
Other Europe [5]	270	[5] 253	17
Total, British Commonwealth (including other sterling area countries)	4,465	3,479	986
Sterling area countries in European Recovery Program	2,461	2,037	424
Iceland	5	1	4
Ireland	32	11	21
United Kingdom	2,351	2,025	326
Dependencies in the International Monetary Fund United Kingdom quota	73		73
Other sterling area	1,298	1 148	150
Australia	120	90	30
India, Pakistan, Burma, and Ceylon	336	274	62
Iraq	3		3
New Zealand	29	23	6
Transjordan	2		2
Union of South Africa	808	761	47
Canada and Newfoundland	706	294	412

Footnotes at end of table.

TABLE A.—*Estimated gold and short-term dollar resources of foreign countries, as of Dec 31, 1947*—Continued

[In millions of dollars]

Area and country	Total	Gold [1]	Short-term dollar balances
Total, Africa [6]	88	54	34
Egypt and Anglo-Egyptian Sudan	78	53	25
Ethiopia	3	1	2
Tangier	7	-	7
Total, Asia [6]	1 582	695	887
Afghanistan	39	33	6
China and Manchuria	327	97	230
French Indochina	6		6
Iran	153	142	11
Japan	237	[7] 206	31
Netherlands East Indies	249	180	69
Philippine Islands	489	1	488
Saudi Arabia	11		11
Siam	47	33	14
Syria and Lebanon	16	3	13
Unidentified	8		8
Total, Latin America [6]	2 877	1 683	[6] 1,194
Argentina	555	319	236
Bolivia	41	23	18
Brazil	458	354	104
Chile	91	45	46
Colombia	129	83	46
Costa Rica	9	2	7
Cuba	514	279	235
Dominican Republic	40	2	38
Ecuador	29	20	9
Guatemala	51	27	24
Haiti	15	2	13
Honduras	4	(4)	4
Mexico	239	100	139
Nicaragua	7	3	4
Panama	70	(4)	70
Paraguay	5	(4)	5
Peru	62	20	42
Salvador	23	15	8
Uruguay	208	175	33
Venezuela	292	214	78
Unidentified	35		35
Other, unidentified	19	---	19

NOTES.—*Gold* Data represent total holdings of governments and central banks without regard to location *Short-term balances* Composed principally of deposits in American banks and holdings of U S Government Treasury bills and certificates Where December figures were not available, short-term dollar balances as of Sept 30 1947, were used

Source—Treasury Department and Board of Governors of the Federal Reserve System

[1] Official gold holdings For countries whose holdings have not been published, available estimates have been used, or the figures as of June 30, 1947, shown in the previous report have been carried forward

[2] Excludes holdings of the International Monetary Fund, the International Bank for Reconstruction and Development, and other international organizations Total gold and short-term balances of international organizations on this date were $3,740,000,000, consisting of $1,391 000,000, in gold and $2,349 000,000 in short term dollar balances

[3] Based upon estimate of $890 000 000 for June 30 1947, adjusted for subsequent sales of gold to the United States

[4] Less than $500,000

[5] Includes gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold to claimant countries, including European Recovery Program countries, in accordance with the Paris Reparations Agreement

[6] Excluding sterling area countries and dependencies of European countries

[7] Includes approximately $82,000,000 in gold which other countries claim Japan held on earmark for them

TABLE B —*Gold transactions between the United States and other countries from 1945 through 1947*

[In millions of dollars at $35 per fine troy ounce]

Area and country	U S Government									
	Net purchases or sales				Purchases			Sales		
	Net total 3 years	1947	1946	1945	1947	1946	1945	1947	1946	1945
Total, all areas	3,132 8	2 864. 4	721 3	−452 9	2,961 0	901 0	896 3	97 5	179 7	849 2
Total, Europe	1 724 7	1,475 6	81 6	167 5	1,478. 4	147 8	814 4	2. 8	66. 2	146 9
Belgium	258 1	222. 8	14. 2	31 1	222. 8	14. 2	31 1			
Czechoslovakia	−2. 1	(1)	−2. 1		(1)				2. 1	
Denmark	3 0			3 0			3 0		-	
France	543 1	264 6	(1)	278. 5	264. 6	(1)	278. 5			
Greece	−4 3	1	−4. 4		2. 0	-		1 9	4. 4	
Netherlands	130 8	130 8			130. 8					
Norway	20 7	3 6	17 1		3 6	17 1				-
Poland	27 4	27 4		-	27 4			-		
Portugal	58 1	115 0	−10 0	−47 9	115. 0	-			10 0	47 9
Sweden	318 2	238. 0	80 2		238. 0	80 2				
Switzerland	−106 7	10 0	−29 9	−86 8	10 0	(1)		-	29 9	86 8
Turkey	39 2	56. 2	−7 0	−10 0	56 2				7 0	10 0
United Kingdom	406. 7	406 9	− 2	(1)	406 9	5	(1)		7	
Union of Soviet Socialist Republics	35 8		35 8	-		35 8				
Vatican City	−14 9	− 6	−12. 1	−2. 2		-		6	12 1	2 2
Other Europe	1 6	− 2		1 8	1		1 8	8		
Total, Latin America	506 0	808. 4	171 0	−472 5	901 9	281 8	27 4	93 5	110 8	499 9
Argentina	655 8	727 5	153 2	−224 9	727 5	191 1			37 9	224 9
Brazil	−34 8	1	−10 0	−24 9	1	(1)	1		10. 0	25 0
Chile	24. 9	8 7	18. 4	−2. 2	10 7	20 6	3 0	2 0	2 2	5 2
Colombia	37 3	60 0	−5 2	−17 5	60 0	(1)	(1)		5 2	17 5
Cuba	−180 0	−65 0	−30 0	−85 0	(1)	(1)	(1)	65 0	30 0	85 0
Mexico	58. 5	45 4	36 9	−23 8	45 4	36 9	1 2			25 0
Uruguay	−17 7	25 1	−4 9	−37 9	25 1	5 1			10 0	37 9
Venezuela	−86 0	−3 7	−9 2	−73 1	20 0	8	1 9	23 7	10 0	75 0
Other Latin America	48 0	10 3	21 8	16 8	13 1	27 3	21 2	2. 8	5 5	4 4
Total, Asia and Oceania	−173 5	1 1	13 7	−188 3	2. 3	16 3	14 1	1 2	2 0	202. 4
Afghanistan	−18 0	-	−2 0	−16 0					2. 0	16. 0
China	−186. 5	− 7	− 5	−185. 3				7	5	185 3
Other Asia and Oceania	31 0	1 8	16 2	13 0	2 3	16 3	14. 1	5	1	1 1
Total, North America Canada	685 9	311 2	337 9	86 8	311 2	337 9	86 8			
Total, Africa Union of South Africa	350. 8	256 0	94 3		256 0	94 8				
Total, International Bank	17 0	1 5	16. 1		1 5	16. 1				
Total, unallocated	20 9	10. 4	6. 8	3 7	10 4	6. 8	3 7			

Source —*Treasury Department*

NOTE —Minus figures indicate a net sales by the United States to the foreign country within the period Figures will not necessarily add to totals because of rounding

[1] Less than $50,000

Appendix C

Statistical Summary Tables on United States Government Foreign Loans, Credits, and Grants

EXPLANATORY NOTES[1]

The statistical tables presented in this appendix relate to grants and credits extended during the postwar period by the United States Government to foreign countries, both to governmental and to private entities They also include special programs of advances to the military governments for Germany and Japan of raw materials, principally cotton Because the data are readily available only on a quarterly basis, and there were some credits of a peacetime character between June 30, 1945, and VJ-day, a beginning date of June 30, 1945, has been adopted for the postwar period The tables presented in this appendix and appendix D were prepared by the Clearing Office for Foreign Transactions, Office of Business Economics, of the Department of Commerce, on the basis of the latest information currently available covering the period July 1, 1945, through December 31, 1947 Items which are necessarily based on estimates, particularly some lend-lease and surplus-property credits, have been adjusted on the basis of all information received to the date of preparation of these tables, and are subject to future adjustments

Foreign aid has in some instances been extended subject to future settlement which may ultimately result in repayments in one form or another Although aid rendered on this basis is included as grants in this appendix, the amounts involved are shown separately in table L of appendix D

Short-term credits (less than 6 months with respect to the Office of the Foreign Liquidation Commissioner and War Assets Administration, 90 days or less with respect to all other agencies, and the revolving special exporter-importer credits of the Export-Import Bank) and advance payments on commodity-procurement contracts are excluded

Sales of surplus property for foreign currencies, performance of services, or transference of property are considered cash, not credit transactions when, at the time of sale, the currencies have been paid to the account of the United States, the services have been performed, or title to the other property has been transferred On the other hand, sales for foreign currencies, services, or property, which are to be paid, performed, or transferred upon request of the United States Government, are considered credit transactions to the extent that request has not been made and satisfied

All tables include totals of amounts utilized or disbursed in the 30-month period combined with amounts unutilized as of the end of the period Such totals, therefore, exclude credit commitments or grant authorizations which have expired or been canceled in the period Moreover, the amount of loans and property credits utilized does not take into account repayments While the coverage of foreign loans and other credits of the United States Government is identical with that in earlier reports of the National Advisory Council, the data for grants includes for the first time all assistance in the form of grants by the United States Government in the postwar period Grants, and particularly lend-lease, are shown before the deduction of offsetting items included in war-account settlements, such as reciprocal aid in the form of reverse lend-lease The cumulative total of reverse lend-lease for both the war and postwar periods amounted to $7,800,000,000 This method of statement is deemed to be the best measure of actual assistance rendered by the United States Government, but does not reflect aid rendered to the United States Government by foreign countries in the period covered This aid was substantial in the case of the United Kingdom, France, Belgium, and the Netherlands

Table C presents a summary of both credits and grants, whereas tables D and E contain more detailed data for credits and grants, respectively

[1] All figures are to the nearest $1,000,000, therefore in certain instances components will not necessarily add to totals because of rounding

DEFINITIONS

Because of the wide variety of transactions and differences in the accounting procedures of the lending agencies, it is not possible to prepare simple definitions applicable to all cases, but the classifications used are as consistent in principle as possible

1 *Loans*—These represent cash loans anticipating repayment in cash of principal plus interest Commitments reported by the Export-Import Bank represent authorizations resulting from approval of loans by the Board of Directors These included, as of December 31, 1947, certain loans which had not been formalized by credit agreements Included are direct loans by the Export-Import Bank and other Government agencies and loans of agent banks fully guaranteed by the Export-Import Bank

2 *Property credits*—These represent credits extended in connection with (*a*) disposal of surplus property, including merchant ships and (*b*) settlement for lend-lease articles and services Collections of principal and interest may be in the form of United States dollars or real estate and services and foreign currency Some of the amounts shown for the Office of Foreign Liquidation Commissioner and lend-lease credits are estimates subject to later adjustments

CREDITS UTILIZED

(*a*) *Maritime Commission* The principal amount of mortgages received from foreign purchasers of merchant ships

(*b*) *Lend-lease fiscal operations* (Treasury Department) Billings presented to foreign governments for goods delivered

(*c*) *Office of Foreign Liquidation Commissioner* (State Department) Credits arising as the result of bulk sales of surplus property have been considered utilized as of the dates agreements were signed

Corresponding utilization and commitment figures have been used in the belief that ultimate deliveries under bulk-sale agreements will approximate the amount of the original commitments In all cases other than bulk sales, utilization is based upon the full amount involved in sales contracts signed, regardless of the time of delivery of the property

3 *Commodity programs*—These are included with property credits and represent credits resulting from commodity shipments by the United States Government to the military governments for western Germany and Japan Included are the following amounts Western Germany, credit utilized $36,876,003, Japan, credit utilized $185,624,908, and credit unutilized $1,091,281 Raw materials have been shipped to these countries for manufacture into finished goods, a part of which is retained by the occupied areas as a processing fee The remainder of the finished goods is exported in return for dollar proceeds, which are used to reimburse the United States Government for the cost of the raw materials, the handling charges, and the administrative expenses incurred

4 *Lend-lease grants*—These reflect the *estimated* value of such aid furnished on a grant basis (often referred to as "lend-lease") This estimate is derived by reduction of the gross lend-lease aid totals by the amount of—

(*a*) Lend-lease aid furnished on a credit basis, including the amount of credit retroactively determined in settlements,

(*b*) The amount of cash received in lend-lease settlements,

(*c*) Lend-lease aid originally furnished on a cash basis, and

(*d*) The military civilian supplies program for Italy

The grant totals include silver and ships and other goods to be returned to the United States Government Lend-lease *estimates* are broken down by requisitioning governments and are shown only against the United Kingdom for the British Commonwealth, against France for all French areas, etc Hence, the grant-data totals in tables C and E, and particularly the figures for individual countries, are arithmetic sums including an *estimate* and must be interpreted in the light of these qualifications

5 *Civilian supplies*—These include principally supplies furnished by the United States Army for civilian use abroad; sales and issues of civilian supplies by the Navy Department on the Pacific islands, and supplies financed by lend-lease appropriations and furnished to the War Department for Italian relief program Unutilized balances for the Army Department are estimated

6 *Relief* (other than civilian supplies)—These include supplies, services, and funds furnished by the United States Government to international or national agencies for relief abroad or directly by the United States Government to a recipient area Records in the United States for United Nations Relief and Rehabilitation Administration shipments show only the immediate country of destination, for example, aid shown going to the United Kingdom, Switzerland, and Norway was in replacement for commodities shipped to third countries Relief utilized includes—

UNRRA aid	$2, 524, 000, 000
Post UNRRA	230, 000, 000
Interim aid	12, 000, 000
American Red Cross aid from Government appropriations	10, 000, 000

and in unallocable Europe, $4,000,000 transferred to the Intergovernmental Committee on Refugees, $15,000,000 transferred to International Children's Emergency Fund from post United Nations Relief and Rehabilitation Administration funds, and $15,000,000 in funds and $2,000,000 in goods transferred to the International Refugee Organization Unutilized includes only unutilized appropriations, not unutilized authorizations, and excludes the portion of the United Nations Relief and Rehabilitation Administration program not yet recorded as utilized although already furnished The unallocable item includes administrative costs, unclassified shipments, and contributions in dollars given United Nations Relief and Rehabilitation Administration for use wherever needed

7 *Other grants* These include—

(*a*) Aid in cultural and economic programs for the American Republics,

(*b*) Financial aid to China under Public Law 442, approved February 7, 1942,

(*c*) Aid under the first three titles of the Philippine Rehabilitation Act of 1946, and

(*d*) Aid to Greece and Turkey under Public Law 75, approved May 22, 1947

The unutilized amount of $147,000,000 shown for the Philippines includes only the unutilized portion of appropriations and surplus property available under the rehabilitation program It does not take into account additional authorizations which, under the act, may exceed $350,000,000 over a 4-year period

TABLE C.—*U. S. Government loans, property credits, and grants to foreign countries utilized, July 1, 1945, through Dec. 31, 1947, and unutilized as of Dec. 31, 1947, by type and country*

[In millions of dollars]

Area and country	Total utilized and unutilized			Amount utilized July 1, 1945, to Dec. 31, 1947			Unutilized balance, Dec. 31, 1947		
	Total	Loans and property credits [1]	Relief and other grants [2]	Total	Loans and property credits [1]	Relief and other grants [2]	Total	Loans and property credits [1]	Relief and other grants [2]
Total, all areas	18,180	9,899	8,281	14,595	8,134	6,461	3,585	1,765	1,820
Total, Europe	13,400	8,217	5,183	11,157	7,270	3,887	2,244	947	1,297
Total European Recovery Program participating countries and western Germany	11,520	7,698	3,827	9,477	6,868	2,610	2,043	825	1,217
Austria	341	34	307	244	6	238	97	29	69
Belgium and Luxembourg	262	199	63	212	149	63	50	50	
Denmark	80	80		16	16		14	14	
France	2,336	1,990	346	1,966	1,892	74	370	98	272
Greece	742	121	621	488	97	391	254	24	230
Italy	1,320	369	950	1,011	249	761	309	120	189
Netherlands	342	316	26	300	273	26	42	42	
Norway	92	91	1	82	81	1	60	60	
Sweden	1		1	1		1			
Switzerland	2		2	2		2			
Trieste	22		22	12		12	10		10
Turkey	152	52	100	14	13	1	138	39	99
United Kingdom	4,732	4,435	297	4,397	4,100	297	335	335	
Western Germany	1,140	50	1,090	783	41	742	362	14	348
Total, Europe, non European Recovery Program	1,582	499	1,083	1,485	402	1,083	97	97	
Albania	20		20	20		20			
Czechoslovakia	211	30	182	211	30	182	(3)	(3)	
Finland	123	121	2	85	83	2	39	39	
Hungary	19	16	2	19	16	2			
Poland	453	90	363	420	57	363	33	33	
Union of Soviet Socialist Republics	464	242	222	438	216	222	25	25	
Yugoslavia	292		292	292		292			
Unallocable Europe	298	24	274	195		195	104	24	79
Netherlands Indies	204	200	4	68	64	4	136	136	
Other dependencies of European Recovery Program participating countries	(3)	(3)	(3)	(3)	(3)	(3)			
Canada	300	300					300	300	
American Republics	501	471	30	248	226	22	253	246	8
China	1,491	250	1,241	1,407	206	1,201	84	44	40
Iran	38	38		13	13		25	25	
Japan	1,100	202	898	834	196	638	266	6	260
Korea (southern)	180	25	155	108	15	93	72	10	62
Philippines	391	86	305	234	76	158	157	10	147
Saudi Arabia	29	27	2	14	12	2	15	15	
All other countries	113	31	82	88	56	82	25	25	
Unallocable	433	2	430	423		423	9	2	7

[1] See table D for supporting detail.
[2] See table E for supporting detail.
[3] Less than $500,000.

TABLE D.—*U S Government loans and property credits to foreign countries utilized, July 1, 1945, through Dec 31, 1947, and unutilized as of Dec 31, 1947, by type and country*

[In millions of dollars]

Area and country	Total utilized and unutilized			Amount utilized July 1 1945, to Dec 31 1947			Unutilized balance Dec 31 1947		
	Total	Loans	Property credits	Total	Loans	Property credits	Total	Loans	Property credits
Total, all areas	9,899	0 305	3,094	8 134	5 439	2 695	1 765	1 366	399
Total, Europe	8 217	5,808	2,408	7 270	5 103	2,167	947	700	241
Total, European Recovery Program participating countries and western Germany	7 693	5 636	2 057	6 868	4,989	1 879	825	648	178
Austria	34	14	20	6		6	29	14	14
Belgium and Luxembourg	199	150	49	149	100	40	50	50	- -
Denmark	30	20	10	16	15	1	14	5	9
France	1 990	1 200	790	1 892	1 162	730	98	38	60
Greece	121	25	96	97	10	88	24	15	0
Italy	369	132	238	240	80	220	120	102	18
Netherlands	316	205	110	273	205	68	42	(1)	42
Norway	91	50	41	31	10	21	60	40	20
Turkey	52	36	16	13	2	11	39	34	5
United Kingdom [2]	4 435	3 785	650	4 100	3 450	650	335	335	
Western Germany	56	19	37	41	5	37	14	14	
Total, Europe non European Recovery Program	499	148	352	402	114	288	97	33	64
Czechoslovakia	30	22	8	30	22	8	(1)	(1)	(1)
Finland	121	85	36	83	67	16	39	19	20
Hungary	16		16	16		16	-		
Poland	90	40	50	57	26	31	33	14	10
Union of Soviet Socialist Republics	242		242	216		216	25	-	25
Unallocable Europe [3]	24	24					24	24	-
Netherlands Indies	200	100	100	64		64	136	100	36
Other dependencies of European Recovery Program participating countries	(1)	(1)	(1)	(1)	(1)	(1)			-
Canada	300	300					300	300	-
American Republics	471	392	79	226	185	40	246	207	39
China	250	99	151	206	70	136	44	28	15
Iran	38		38	13		13	25		25
Japan	202		202	196		196	6		6
Korea (southern)	25		25	15		15	10		10
Philippines	80	70	10	76	70	6	10		10
Saudi Arabia	27	25	2	12	10	2	15	15	
All other countries	81	9	72	56	1	55	25	8	17
Unallocable	2	2					2	2	

[1] Less than $500 000

[2] Unutilized balance of loans to United Kingdom at Dec 31, 1947, includes $35,000,000 of the credit extended by the Reconstruction Finance Corporation on a collateral loan in 1941 and $300,000,000 of the special $3,750,000,000 loan authorized by a joint resolution of Congress on July 15 1946 As of Mar 1, 1948, the remaining $300,000,000 of the special loan had been completely utilized, withdrawals of $100,000,000 each having been made on the following dates Jan 2, Feb 4, and Mar 1, 1948

[3] Represents unallotted portion of the Export Import Bank special cotton credits for Europe

TABLE E —*U S Government relief and other grants to foreign countries utilized, July 1, 1945, through Dec 31, 1947, and unutilized as of Dec 31, 1947, by type and country*

[In millions of dollars]

Area and country	Total utilized and unutilized				
	Total	Civilian supplies	Lend lease	Relief	Other grants
Total all areas	8, 281	2, 701	1 283	3, 482	814
Total Europe	5 183	1 586	475	2 723	400
Total European Recovery Program participating countries and western Germany	3 827	1, 427	439	1 561	399
Austria	307	93		214	
Belgium and Luxembourg	63		62	1	
France	346		57	289	
Greece	621		6	315	299
Italy	950	244		706	
Netherlands	26		24	2	
Norway	1			1	
Sweden	1			1	
Switzerland	2			2	
Trieste	22	4		18	
Turkey	100				100
United Kingdom	297		289	8	
Western Germany	1 090	1, 086		4	
Total Europe, non European Recovery Program	1 083		36	1, 047	
Albania	20			20	
Czechoslovakia	182		(1)	181	
Finland	2			2	
Hungary	2			2	
Poland	363		(1)	363	
Union of Soviet Socialist Republics	222		36	186	
Yugoslavia	292			292	
Unallocable Europe	274	158	--	115	1
Netherlands Indias	4	4			
Other dependencies of European Recovery Program participating countries	(1)			(1)	
American Republics	30		2		28
China	1, 241		723	399	120
Japan	898	898			
Korea (southern)	155	154		(1)	
Philippines	305	28		10	266
Saudi Arabia	2		2		
All other countries	32	30		2	
Unallocable	430		82	348	

Area and country	Amount utilized, July 1 1945, to Dec 31, 1947				
	Total	Civilian supplies	Lend lease	Relief	Other grants
Total all areas	6 461	2, 031	1, 283	2, 813	334
Total, Europe	3, 887	1 238	475	2 101	74
Total, European Recovery Program participating countries and western Germany	2, 610	1, 079	439	1 018	74
Austria	238	93		146	
Belgium and Luxembourg	63		62	1	
France	74		57	17	
Greece	391		6	312	73
Italy	761	244		517	
Netherlands	26		24	2	
Norway	1			1	
Sweden	1			1	
Switzerland	2			2	
Trieste	12	4		8	
Turkey	1				1
United Kingdom	297		289	8	
Western Germany	742	738		4	

[1] Less than $500,000

TABLE E.—*U. S. Government relief and other grants to foreign countries utilized, July 1, 1945, through Dec. 31, 1947, and unutilized as of Dec. 31, 1947, by type and country*—Continued

[In millions of dollars]

Area and country	Amount utilized July 1, 1945 to Dec. 31, 1947				
	Total	Civilian supplies	Lend lease	Relief	Other grants
Total, Europe, non European Recovery Program	1 083		36	1 047	
Albania	20			20	
Czechoslovakia	182	-	(1)	181	
Finland	2			2	
Hungary	2			2	
Poland	363		(1)	363	
Union of Soviet Socialist Republics	222		30	186	
Yugoslavia	292			292	
Unallocable Europe	195	158		36	(1)
Netherlands Indies	4	4			
Other dependencies of European Recovery Program participating countries	(1)			(1)	
American Republics	22		2		21
China	1 201		723	358	120
Japan	638	638			
Korea (southern)	93	92		(1)	
Philippines	158	28		10	119
Saudi Arabia	2		2		
All other countries	32	30		2	
Unallocable	423		82	341	

Area and country	Unutilized balance Dec. 31, 1947				
	Total	Civilian supplies	Lend lease	Relief	Other grants
Total, all areas	1 820	670		660	481
Total, Europe	1 407	348		622	326
Total, European Recovery Program participating countries and western Germany	1 217	348		544	326
Austria	69	-		69	
Belgium and Luxembourg					
France	272			272	
Greece	230			4	227
Italy	189			189	
Netherlands					
Norway					
Sweden					-
Switzerland					
Trieste	10			10	
Turkey	99				99
United Kingdom					
Western Germany	348	348			
Total, Europe, non European Recovery Program					
Albania					
Czechoslovakia					
Finland					
Hungary					
Poland					
Union of Soviet Socialist Republics					
Yugoslavia					
Unallocable Europe	79			79	1
Netherlands Indies				-	
Other dependencies of European Recovery Program participating countries					
American Republics	8				8
China	40			40	
Japan	260	260			
Korea (southern)	62	62			
Philippines	147				147
Saudi Arabia	-				
All other countries					
Unallocable	7			7	

[1] Less than $500,000

APPENDIX D

STATISTICAL TABLES ON UNITED STATES GOVERNMENT FOREIGN LOANS, CREDITS, AND GRANTS

EXPLANATORY NOTES [1]

Tables F through K present *by lending agency*, a detailed break-down of loans and property credits summarized in tables C and D of appendix C

DEFINITIONS

Total utilized and unutilized represents the unutilized balance of authorizations as of June 30, 1945, plus new authorizations from July 1, 1945, through December 31, 1947, less expirations or cancellations of authorizations from July 1, 1945, through December 31, 1947

Unutilized balances as of June 30, 1945, represent loans or credits authorized but not used, expired, or canceled prior to June 30, 1945

Unutilized balances as of December 31, 1947, represent the unutilized balances as of June 30, 1945, plus new authorizations from July 1, 1945, through December 31, 1947, less amounts utilized, expired or canceled from July 1, 1945, through December 31, 1947

Expirations or cancellations represent all expirations and cancellations of authorizations occurring during the period from July 1, 1945, through December 31, 1947, regardless of whether the loan or credit was authorized prior or subsequent to July 1, 1945

New authorizations represent the gross amount of all loans and credits authorized or committed, as well as any increases in prior authorizations or commitments, during the period from July 1, 1945, through December 31, 1947 This includes all loans and credits approved by the responsible officials of the lending agencies from available funds even if they had not been formalized by signed credit agreements Because the lack of formal agreement may become important in some instances, the amounts in this category included in tables F and I have been shown by footnotes

Utilized represents—

(*a*) For loans The amounts disbursed under the terms of the agreements Included are direct loans by the Export-Import Bank and other Government agencies and agent banks disbursed loans fully guaranteed by the Export-Import Bank

(*b*) For surplus-property credits by the Office of the Foreign Liquidation Commissioner The full amount of bulk-sale credit agreements plus the amounts involved in contracts signed under other credit agreements, regardless of the time of delivery of the property

(*c*) For lend-lease credits The inventories of lend-lease goods in the hands of civilian agencies of recipient governments at VJ-day and/or billings to foreign governments for post-VJ-day shipments under pipe-line agreements, less, in some cases, offsets Expenditures reported by the Navy Department to the Treasury Department, are the basis for determining utilization under the Liberian agreement

(*d*) For ship-sale credits by the Maritime Commission The principal of mortgages received by the Commission from foreign purchasers The Ship Sales Act of 1946 provided that vessels could be sold for 25 percent cash down payment and the balance on credit terms

(*e*) For commodity programs for western Germany and Japan The value of the raw material shipped by the Commodity Credit Corporation and the U S Commercial Company, plus shipping and other costs

Repayments represent payments on principal only They are exclusive of repayments on debts arising out of World War I Provisions governing the collection of principal vary and may call for payment in the form of different combinations of United States dollars, real property, services, commodities, and foreign currency Repayments reported do not include all undertakings of the foreign governments and usually lag behind actual deliveries of real property and foreign currencies

Outstanding indebtedness represents the net of utilized less repayments The data in table K necessarily include the results of transactions taking place before July 1, 1945, but exclude indebtedness arising out of World War I

[1] All figures are to the nearest $100,000, therefore, in certain instances components will not necessarily add to totals because of rounding

TABLE F.—U S Government loans and credits available[1] to foreign countries, July 1, 1945, to Dec 31, 1947, by country and by lending agency

[In millions of dollars]

Area and country	Total utilized and unutilized	Unutilized balance[2] June 30 1945	New authorizations July 1 1945, to Dec 31, 1947						Expirations or cancellations,[3] July 1, 1945, to Dec 31 1947
			Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other	
Total, all areas	0 899 2	[4] 554.0	9 736 8	[3] 2,709 7	1 232.9	1,800 7	232 7	4 140 8	301 0
Total, Europe	8,216 7	174 3	8 292 7	2,029 4	910 8	1,285 0	200 8	3 851 8	250 3
Austria	34 3		34 3	[5] 14 3	10 0			[6] 10 0	
Belgium	198 8	[7] 55 0	198 8	[6] 150 0	[6] 48 8			-	55 0
Czechoslovakia	29 7		72 0	22.0	[9] 50 0		-	-	[9] 42.2
Denmark	30 0		30 0	20 0	10 0		-	-	-
Finland	121 5	8 8	120 3	[5] 84 5	25 0		8	[6] 10 0	7 6
France	1,989 6		2 024 6	1,200 0	350 0	420 0	54 0	-	35 0
Germany (western)	55 0		63 8	10 0		-		[10] 44.8	[15] 7 9
Greece	121 3		121 8	25 0	55 0	-	41 3	-	(11)
Hungary	16 5	-	30 0		[5] 30 0	-			[5] 13 5
Italy	369 4		372 1	[5] 134 3	178 0		59 8	-	2 7
Netherlands	315 5	[7] 65 0	283 5	200 0	80 0		18 6	[6] 25 0	32 9
Norway	91 8	10 5	100 7	50 0	10 0		28 7	[6] 12 0	19 9
Poland	00 0		90 0	40 0	50 0				
Turkey	52 1		52 1	[5] 36 1	10 0		6 0		(11)
Union of Soviet Socialist Republics	241 6		275 0			275 0		-	33 4
United Kingdom	4 435 0	[12] 35 0	4 400 0		60 0	590 0	-	[13] 3 750.0	-
Unallotted	24 4		24 4	[5] 24 4				-	
Total, Latin America	471 4	[4] 330 8	250 5	221 8	12 0	9	13 5	2 3	116 0
Argentina	2		2	[5] 2				-	
Bolivia	18.5	15 5	8 0	3 0				(11) (12)	
Brazil	104.2	[4] 28.4	90 7	[5] 71 4	8 0		9 4	[12] 2 0	15 0
British Honduras	(11)		(11)					(11) (13)	- -
Chile	60 3	13 2	47 4	47 4				-	3
Colombia	28 8	23 4	5 8	[6] 5 0	8				1 0
Costa Rica	1	1	-						(11)
Cuba	17 8	17 8							-
Ecuador	14 3	[4] 10 3	5 0	[3] 4 5	5			(11) (12)	1 0
Haiti	6	5	8					[6] 3	1
Honduras	6	1 8	4		4				1 7
Mexico	132 1	[4] 49 3	87 4	[6] 87 4					4 0
Panama			1		1	-	-		1
Paraguay	8	8						-	-
Peru	6 0	[4] 25 0	0 0	4	1 5		4.1		25 0
Salvador	0	8							2
Uruguay	7 0	2[illegible] 0	7		7			(11) (14)	18.0
Venezuela	6		6	0					-
Miscellaneous	78 8	[4][5][15] 124 8	2 8	1 0		[16] 9			48.9
Total, Asia	858.7	31 9	840 1	196 8	279 7	67 4	9 4	286 7	13 3
Burma	5 0		5 0		5 0				-
China	240 8	81 9	225 1	[5] 66 8	70 0	58 9	0 4	[16] 20 0	7 2
India	10 0		10 0		[6] 10 0				
Iran	38 0		38.1		29 5	8 5		-	1
Iraq	0		9		9				-
Japan	202 0		202.0		15 3			[17] 180 7	-
Korea (southern)	25 0		25 0		25 0			-	-
Lebanon	5 0		5 0		5 0				
Netherlands Indies	200 0		200 0	[5] 100 0	100 0				
Philippine Republic	86 0		86 0		6 0		-	[15] 80 0	-
Saudi Arabia	27 0		32 0	[5] 30 0	2 0			-	5.0
Siam	10 0	-	10 0		10 0	-			-
Yemen			1 0		1 0				1 0
Total, North America Canada	800 0		305 7	[5] 805 7					5 7

Footnotes at end of table

TABLE F.—*U. S. Government loans and credits available* [1] *to foreign countries, July 1, 1945, to Dec. 31, 1947, by country and by lending agency*—Continued

[In millions of dollars]

Area and country	Total utilized and unutilized	Unutilized balance,[2] June 30 1945	New authorizations, July 1, 1945, to Dec 31 1947: Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other	Expirations or cancellations [3] July 1 1945 to Dec 31, 1947
Total, Africa	37 3	10 9	27 8	8 6	12.4	6 8			1 4
Angola		2		-	-	---	-		2
British East Africa	1		1		1				
Egypt	14 9		14 9	5 6	9 3				
Ethiopia	3 4		4 0	3 0	1 0				0
Liberia	17 5	[7] 10 7	6 8			6 8			
Union of South Africa	1 4		2 0		2.0				6
Total, Oceania	12 5		12 5		12 0	5			
Australia	7 0	-	7 0		6 5	5			
New Zealand	5 5		5 5		5 5				-
Total various countries	2 5		7 5	[5] 7 5					5 0

[1] For important qualifications affecting this table and for definitions of terms see the explanatory notes
[2] Relates to Export Import Bank balances unless indicated otherwise as a footnote
[3] See table G for agency break down
[4] Certain loans authorized by the Board of Directors of the Export-Import Bank which as of June 30 1945 had not been formalized by credit agreements are included, amounting to Total $66,800 000, Brazil $2 500 000 Ecuador $8 000 000, Mexico $30,800 000 Peru $500 000, miscellaneous Latin America $25,000,000
[5] Certain loans authorized by the Board of Directors of the Export Import Bank which, as of Dec 31 1947 had not been formalized by credit agreements are included, amounting to Total, $633 600,000, China, $4,200 000 Netherlands Indies, $100 000 000 Saudi Arabia, $15 000 000, Turkey, $20,200,000 Austria $1 200 000 Belgium, $50 000,000 Finland $7,700 000 Italy $6 600,000 unallotted Europe (unallotted cotton credits, $24 400 000 Argentina, $200 000, Brazil $18 600,000, Colombia $1 500 000, Ecuador, $2 700 000 Mexico, $53 800 000, miscellaneous Latin America $25 000 000, Canada $300 000,000 various countries, $2,500 000
[6] War Assets Administration is the lending agency
[7] Lend lease contract
[8] The exact amount of the Office of Foreign Liquidation Commissioner credit will depend on the proceeds received from the resale of surplus property by the foreign government The figures shown for authorizations (and for credit utilized in table H), are based upon the best estimates of these amounts currently available
[9] New sales under credit suspended Czechoslovakia, Sept 13 1946 Hungary, June 3, 1947 Both of these Office of Foreign Liquidation Commissioner authorizations expired Dec 31 1947 in accordance with the original terms and the unutilized balance is shown under 'Expirations and cancellations'
[10] Includes Commodity Credit Corporation raw cotton shipped to Germany, in the amount of $34,200 000 and the operating expenses (including freight and insurance costs), of the U S Commercial Company amounting to $1 800 000 incurred under an arrangement similar to that described in footnote 17 for Japan In addition there is included $8,800,000 authorized to be expended by the U S Commercial Company under an agreement between the U S Commercial Company and the Office of Military Government for Germany (United States Zone), for the procurement of raw materials needed to develop 6 specific export programs in the combined Anglo-American Zone of occupation These programs had expired as of Dec 31, 1947 with only $800 000 of the credit utilized and the unutilized portion, in the amount of $7 900 000 is shown under "Expirations and cancellations" Repayments are being made to the U S Commercial Company from 50 percent of the proceeds of experts under these 6 programs
[11] Less than $50,000
[12] Reconstruction Finance Corporation is the lending agency
[13] Treasury Department is the agency administering the loan
[14] The Institute of Inter American Affairs (State Department) is the lending agency
[15] Lend lease mutual-aid agreements have been signed with all the Latin American republics except Argentina and Panama Data with respect to them are shown in Miscellaneous Latin America Unutilized Latin American lend lease as of June 30, 1945, was approximately $52 400 000
[16] Based on a sale of surplus property by the Army Department amount estimated
[17] Includes Commodity Credit Corporation (Department of Agriculture) raw cotton being shipped in the amount of $175,000 000 and the operating expenses (including freight and insurance costs) of the U S Commercial Company (Reconstruction Finance Corporation) amounting to $11,700,000, incurred under an arrangement whereby the cotton is being shipped to Japan by the U S Commercial Company and turned over to the military authorities for manufacture into textiles Payments to the Commodity Credit Corporation for the raw cotton and to the U S Commercial Company for out-of pocket expenses have been made from the proceeds realized from the sale of a portion of the finished textiles the balance of the textiles are being retained for use in Japan
[18] Reconstruction Finance Corporation is the lending agency in the amount of $70,000 000 and War Assets Administration in the amount of $10,000 000

TABLE G.—*Expirations or cancellations*[1] *of U S Government loan and credit authorizations to foreign countries, July 1, 1945, to Dec 31, 1947, by country and by lending agency*

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total all areas	301 0	155 0	58 4	148 8	20 9	7 9
Total Europe	250 3	25 3	55 7	140 4	20 9	7 9
Belgium	55 0			55 0		
Czechoslovakia	42 2		42 2			
Finland	7 6	7 6	-		(2)	
France	35 0			35 0	(2)	
Germany (western)	7 9					[3] 7 0
Greece	(2)			-	(2)	
Hungary	13 5		13 5	-		
Italy	2.7	2 7	-		(2)	
Netherlands	32.9	4 5	-	[4] 17 0	11 4	
Norway	19 9	10 5	-	-	9 4	
Turkey	(2)		-		(2)	
Union of Soviet Socialist Republics	33 4	-	-	33 4	-	
Total, Latin America	116 0	114 3	5	1 2	(2)	
Brazil	15 0	15 0			(2)	-
Chile	8	8				-
Colombia	1 0	1 0				
Costa Rica	(2)	(2)				
Ecuador	1 0	1 0				
Haiti	1	1			-	-
Honduras	1 7	1 7				
Mexico	4 0	4 0				
Panama	1		1			
Peru	25 0	25 0			(2)	
Salvador	2	2				
Uruguay	18 0	17 7	3			-
Miscellaneous	48 9	47 7		1 2		
Total Asia	13 3	5 1	1 1	7 2	(2)	
China	7 2	1		7 2	(2)	
Iran	1		1			
Saudi Arabia	5 0	5 0				
Yemen	1 0		1 0			
Total North America Canada	5 7	5 7	-			
Total Africa	1 4	2	1 2			
Angola	2	2		-		
Ethiopia	6		6			
Union of South Africa	6		6		-	
Total, various countries	5 0	5 0	-		-	-

[1] For important qualifications affecting this table and for definition of terms see the explanatory notes All expirations and cancellations of authorizations occurring during the period are included regardless of whether the credit was authorized prior or subsequent to July 1, 1945

[2] Less than $50,000

[3] U S Commercial Company (Reconstruction Finance Corporation), is the lending agency See footnote 10 to table F

[4] $48 000,000 is the net indebtedness established by the war account settlement agreement signed May 28 1947 $65 000 000 was the unutilized credit reported as of June 30 1945 which represented credit extended for post VJ day transfers, including pipe line shipments The difference of $17 000 000 has been shown as a cancellation of authorized credit

TABLE H.—*U. S. Government loans and credits utilized* [1] *by foreign countries, July 1, 1945, to Dec. 31, 1947, by country and by lending agency*

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total all areas	8 133.9	1 919.0	982.2	1 299.6	168.6	3 764.6
Total Europe	7 269.7	1 652.7	764.8	1,214.0	151.3	3 480.9
Austria	5.6		5.6			
Belgium	148.8	100.0	[3] 48.8			
Czechoslovakia	29.7	22.0	7.8			
Denmark	15.5	15.0	.5			
Finland	82.7	66.6	15.8		.8	
France	1 891.6	1 162.0	827.5	360.0	42.2	
Germany (western)	41.4	4.6				[3] 36.9
Greece	97.5	9.8	46.4		41.3	
Hungary	16.5		10.5			
Italy	249.3	29.5	[4] 178.0		41.7	
Netherlands	273.2	205.3	17.3	[5] 48.0	2.6	
Norway	31.5	10.0	8.8		17.7	
Poland	57.0	25.0	31.4			
Turkey	13.3	2.3	6.1		4.9	
Union of Soviet Socialist Republics	216.1			216.1		
United Kingdom	4 100.0		60.0	590.0		[6] 3 450.0
Total Latin America	225.6	185.2	10.9	17.0	10.3	2.1
Bolivia	14.6	14.6				(7) (8)
Brazil	68.9	52.7	8.0		6.2	[7] 2.0
British Honduras	(8)					(7) (8)
Chile	16.7	16.7				
Colombia	13.0	12.8	.8			
Costa Rica	.1	.1				
Cuba	10.5	10.5				
Ecuador	3.0	2.7	.4			(7) (8)
Haiti	.4	.4				
Honduras	.2	.1	.1			
Mexico	65.4	65.4				
Paraguay	.8	.8				
Peru	5.0	.4	1.8		4.1	
Salvador	.6	.6				
Uruguay	5.6	5.3	.3			(9) (8)
Venezuela	.6	.6				
Miscellaneous	18.7	1.7		[10] 17.0		
Total Asia	605.6	80.5	184.3	58.3	7.0	275.6
Burma	5.0		5.0			
China	206.2	70.4	59.1	49.7	6.9	[11] 20.0
India	10.0		[3] 10.0			
Iran	13.0		4.5	8.5		
Iraq	.9		.9			
Japan	195.9		10.3			[12] 185.6
Korea (southern)	15.2		15.2			
Lebanon	2.0		2.0			
Netherlands Indies	64.3		64.3			
Philippine Republic	76.0		6.0			[7] 70.0
Saudi Arabia	12.0	10.0	2.0			
Siam	5.1		5.1			

[1] For important qualifications affecting this table and for definition of terms see the explanatory notes
[2] See footnote 8 to table F
[3] Commodity programs see footnote 10 to table F Commodity Credit Corporation is the lending agency in the amount of $34,200,000 and U S Commercial Company in the amount of $2,700,000
[4] The $178,000,000 shown as utilized by Italy will be adjusted downward due to a substantial deficiency in deliveries under the first bulk-sale agreement, dated Sept 9, 1946 Eventual total credit utilized by Italy will not exceed $160,000,000 Italy is currently authorized to purchase additional surplus property on credit, which purchases are being used to help offset the deficiency
[5] See footnote 4 to table G
[6] Treasury Department is the agency administering the loan See also footnote 6 to table I
[7] Reconstruction Finance Corporation is the lending agency
[8] Less than $50 000
[9] The Institute of Inter-American Affairs (State Department) is the lending agency
[10] Lend lease mutual-aid agreements have been signed with all the Latin American Republics except Argentina and Panama Data with respect to them are shown in Miscellaneous Latin America
[11] Based on a sale of surplus property by the Army Department Amount estimated
[12] Commodity programs, see footnote 17 to table F Commodity Credit Corporation (Agriculture Department) is the lending agency in the amount of $173,900,000 and U S Commercial Company (Reconstruction Finance Corporation) in the amount of $11,700 000

TABLE H —*U S Government loans and credits utilized* [1] *by foreign countries, July 1, 1945, to Dec 31, 1947, by country and by lending agency*—Continued

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total, Africa	21 6	0 0	11 3	9 8		
British East Africa	1		1		-	
Egypt	0 3		9 3			
Ethiopia	1 0	6	4			
Liberia	9 8			0 8		
Union of South Africa	1 4		1 4			
Total, Oceania	11 4		10 9	5		
Australia	7 0		6 5	5		
New Zealand	4 4		4 4	-		

Footnotes on previous page

TABLE I —*Balances of U S Government foreign loans and credits unutilized* [1] *as of Dec 31, 1947, by country and by lending agency*

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total all areas	1,765 3	[2] 1 031 1	192 8	05 3	43 2	403 3
Total Europe	947 1	870 5	96 2	50 5	37 0	392 0
Austria	28 7	[2] 14 3	4 4		-	10 0
Belgium	50 0	[2] 50 0				
Czechoslovakia	(4)	(4)			-	
Denmark	14 5	5 0	9 5			
Finland	38 8	[2] 19 0	9 7			[5] 10 0
France	98 0	38 0	22 5	25 0	12 4	
Germany (western)	14 4	14 4			-	-
Greece	23 8	15 2	8 6		-	
Italy	120 1	[2] 102 0	(4)		18.1	
Netherlands	42 4	1	12 7		4 5	[5] 25 0
Norway	59 8	40 0	6 2		1 5	[5] 12 0
Poland	33 0	14 4	18 0		-	-
Turkey	38 8	[2] 33 7	3 9		1 1	
Union of Soviet Socialist Republics	25 5			25 5		
United Kingdom	335 0					[6] 335 0
Unallotted	24 4	[2] 24 4				
Total, Latin America	245 8	206 7	6	35 1	3 1	3
Argentina	2	[6] 2				-
Bolivia	3 9	8 9				
Brazil	35 8	[6] 32 2			3 1	
Chile	43 0	43 6				
Colombia	14 7	[2] 14 7	(4)		-	
Cuba	7 3	7 3				
Ecuador	11 3	[2] 11 1	1			-
Haiti	3					[3] 3
Honduras	3		3			
Mexico	66 7	[2] 66 7				-
Peru	1		1			
Uruguay	2 0	2 0				-
Miscellaneous	60 1	[6] 25.0		[7] 35 1		
Total Asia	253 1	143 8	94 3	2 0	2 5	11 1
China	43 6	[2] 28 2	10 0	2.0	2 5	
Iran	25 0	-	25 0	-		-
Japan	0 1		5 0		-	[8] 1 1
Korea (southern)	9 8	-	9 8		--	--
Lebanon	3 0		3 0			- -
Netherlands Indies	135 7	[2] 100 0	35 7		-	
Philippine Republic	10 0				-	[3] 10 0
Saudi Arabia	15 0	[2] 15 0		-	-	
Siam	4 0	-	4 9		-	-

Footnotes at end of table

TABLE I —*Balances of U S Government foreign loans and credits unutilized*[1] *as of Dec 31, 1947, by country and by lending agency*—Continued

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total North America Canada	800 0	[6] 300 0				
Total, Africa	15 8	8 0		7 7		
Egypt	5 6	5 6	-			
Ethiopia	2 4	2 4				
Liberia	7 7		-	7 7		
Total, Oceania New Zealand	1 1		1 1			
Total, various countries	2.5	[8] 2.5	- -		--	

[1] For important qualifications affecting this table and for definition of terms see the explanatory notes

[2] See footnote 5 to table F

[3] War Assets Administration is the lending agency

[4] Less than $50,000

[5] See footnote 4 to table H

[6] $35 000,000 on the loan of the Reconstruction Finance Corporation and $300 000 000 on the loan administered by the Treasury Department The $300,000,000 balance on the Treasury loan was entirely disbursed by Mar 1, 1948 The disbursements made after Dec 31, 1947, were as follows $100,000 000 on Jan 2 $100 000,000 on Feb 4 and $100 000 000 on Mar 1 1948

[7] Lend lease mutual aid agreements have been signed with all the Latin American Republics except Argentine and Panama Data with respect to them are shown in Miscellaneous Latin America

[8] Commodity programs of Commodity Credit Corporation (Department of Agriculture) See footnote 17 to table F and footnote 12 to table H

TABLE J —*Repayments*[1] *on U S Government foreign loans and credits, July 1, 1945, to Dec 31, 1947, by country and by lending agency*

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total, all areas	437 8	154 9	14 2	20 7	4 2	243 8
Total Europe	176 5	02 0	9 3	2 6	4 2	97 8
Austria	4		4			
Belgium	3 5	2 8	7			
Czechoslovakia	1	1				
Finland	13 1	12 5	6			
France	23 5	23 1			4	
Germany (western)	3 5					[2] 3 5
Greece	3 0				8 0	
Hungary	1		1			
Italy	11 8	11 6			2	
Netherlands	12 5	12 5				
Norway	5				5	
Poland	2		2			
Turkey	1 4	2	1 2			
United Kingdom	102. 9		[3] 6 0	[4] 2 0		[4] [5] 94 3
Total Latin America	68 1	52 2	1 3	11 4		3 2
Bolivia	1 1					[4] [6] 1 1
Brazil	12 4	10 5				[4] 2 0
British Honduras	(7)					(7) (4)
Chile	11 3	11 3				
Colombia	4 8	4 0	2	-		
Costa Rica	2	2			-	-
Cuba	1 3	1 3				
Dominican Republic	1 3	1 3				
Ecuador	1 6	0				(7) (4)
Haiti	2 2	2 2				

Footnotes at end of table

TABLE J.—*Repayments*[1] *on U S Government foreign loans and credits, July 1, 1945, to Dec 31, 1947, by country and by lending agency*—Continued

[In millions of dollars]

Area and country	Total	Export Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Latin America—Continued						
Honduras	0 3	0 3				
Mexico	14 2	14 1				[2]0 1
Nicaragua	9	9				
Paraguay	0	9				
Peru	9	(7)	8			
Salvador	2	2				
Uruguay	7	3	3		-	(7) (8)
Venezuela	1 8	1 8				
Miscellaneous	13 1	1 7		[9]11 4		
Total, Asia	101 5	30 8	2 5	6 7		142.5
Bahrein Islands	16 1		-			[4]16 1
China	41 5	30 8	(7)	1 7		
Iran	5.2		2	5 0	-	
Iraq	4		4			
Japan	110 8					[10]110 8
Lebanon	8		8			-
Netherlands Indies	6		6			
Philippine Republic	11 0		1 0			[4]10 0
Total North America Newfoundland and Labrador	4		-			[4]4
Total Africa	1 3	3	1 0			
Angola	(7)	(7)				
Egypt	1 0		1 0			
Ethiopia	2	2	-			

[1] For important qualifications affecting this table and for definition of terms see the explanatory notes Repayments reported do not include all undertakings of the foreign government and usually lag behind the actual deliveries of real property, services commodities and foreign currencies

[2] Commodity programs See footnote 10 to table F As of Dec 31 1947 repayments on principal totaled $3 ,00,000, of which $900,000 had been paid or was available for payment to the Commodity Credit Corporation (Department of Agriculture), and $2 000,000 had been paid to the U S Commercial Company (Reconstruction Finance Corporation)

[3] As of Dec 31 1947 payments from the United Kingdom under the joint war account settlement agreement had been received by the Foreign Liquidation Commissioner (State Department) in the aggregate amount of $6 000,000 (real estate), and by Lend Lease Fiscal Operations (Treasury Department), in the aggregate amount of $2,600,000 (foreign currency) However, the proper allocation of the items between Office of Foreign Liquidation Commissioner and Lend Lease Fiscal Operations has not been determined Consequently these collections are shown as reported by Office of Foreign Liquidation Commissioner and Lend Lease Fiscal Operations

[4] Reconstruction Finance Corporation is the lending agency

[5] Does not include $6 900 000 held in a sinking fund for payment of principal

[6] Includes a portion of one loan by the U S Commercial Company (Reconstruction Finance Corporation) to an individual in Bolivia, amounting to $888,987 written off as uncollectible

[7] Less than $50 000

[8] The Institute of Inter American Affairs (State Department) is the lending agency

[9] Lend Lease mutual aid agreements have been signed with all the Latin American Republics except Argentina and Panama Data with respect to them are shown in Miscellaneous Latin America

[10] Commodity programs See footnote 17 to table F As of Dec 31 1947 repayments on principal totaled $116,300,000 of which $104,600 000 had been paid or was available for payment to the Commodity Credit Corporation (Department of Agriculture) and $11,700 000 had been paid to the U S Commercial Company (Reconstruction Finance Corporation)

TABLE K.—*Outstanding indebtedness*[1] *of foreign countries on loans and credits by the U. S. Government, as of June 30, 1945, and Dec. 31, 1947, by country and by lending agency*

[In millions of dollars]

Area and country	Total outstanding June 30, 1945[2]	Outstanding, Dec. 31, 1947					
		Total	Export-Import Bank	Foreign Liquidation Commissioner	Lend-Lease	Maritime Commission	Other
Total, all areas	556.5	8,252.6	1,977.7	968.0	1,824.2	164.4	3,318.3
Total, Europe	299.1	7,392.1	1,617.3	755.5	1,211.4	147.1	3,661.0
Austria		5.2		5.2			
Belgium		145.3	97.2	[3] 48.1			
Czechoslovakia		29.7	21.9	7.8			
Denmark		15.5	15.0	.5			
Finland	23.9	93.5	78.0	14.6		.8	
France		1,868.1	1,138.9	327.5	360.0	41.8	
Germany (western)		38.0	4.6				[4] 33.4
Greece		94.5	9.8	46.4		38.8	
Hungary		16.3		16.3			
Italy		237.4	18.0	[3] 178.0		41.5	
Netherlands		260.7	192.8	17.3	[6] 48.0	2.0	
Norway		31.0	10.0	3.8		17.2	
Poland	3.3	60.1	28.9	31.1			
Turkey		11.8	2.1	4.9		4.9	
Union of Soviet Socialist Republics		216.1			216.1		
United Kingdom	[8] 271.9	4,260.0		[3] 54.0	[9] 587.4		[10] 3,627.6
Total, Latin America	183.3	340.8	270.1	9.6	49.2	10.3	1.6
Bolivia	[8] 2.1	15.6	14.6				[7] [8] [11] 1.0
Brazil	[12] 56.5	113.0	[7] [13] 98.7	8.0		6.2	([13]) ([7]) ([8])
British Honduras	[8] .5	.4					[7] [8] .4
Chile	18.6	19.0	19.0				
Colombia	10.4	19.2	18.6	.6			
Costa Rica	0.9	6.7	6.7				
Cuba	2.7	11.9	11.9				
Dominican Republic	2.6	1.8	1.3				
Ecuador	[14] 5.0	7.4	6.0	.4			[7] [8] .1
Haiti	8.5	6.7	6.7				
Honduras	.8	.7	.5	.1			
Mexico	[15] 11.2	62.4	62.3				([13]) ([16])
Nicaragua	3.1	2.2	2.2				
Paraguay	4.0	4.8	4.8				
Peru		5.0	.4	.5		4.1	
Salvador	.9	1.2	1.2				
Uruguay	7.1	12.1	[7] 12.1				([13]) ([16])
Venezuela	8.1	1.9	1.9				
Miscellaneous	[17] [18] 43.6	49.3	.1		[17] 49.2		
Total, Asia	65.2	479.5	89.8	181.8	51.6	7.0	149.8
Bahrein Islands	[8] 16.1						
Burma		5.0		5.0			
China		213.8	79.8	59.1	48.0	6.9	[19] 20.0
India	49.1	10.0		[3] 10.0			
Iran		7.8		4.3	3.6		
Iraq		.5		.5			
Japan		79.6		10.8			[20] 69.3
Korea (southern)		15.2		15.2			
Lebanon		1.7		1.7			
Netherlands Indies		63.7		63.7			
Philippine Republic		65.0		5.0			[8] 60.0
Saudi Arabia		12.0	10.0	2.0			
Siam		5.1		5.1			

Footnotes at end of table.

TABLE K —*Outstanding indebtedness*[1] *of foreign countries on loans and credits by the U S Government, as of June 30, 1945, and Dec 31, 1947, by country and by lending agency*—Continued

[In millions of dollars]

Area and country	Total outstanding June 30 1945[2]	Outstanding Dec 31 1947					
		Total	Export-Import Bank	Foreign Liquidation Commissioner	Lend Lease	Maritime Commission	Other
Total, North America	6 7	6 4				-	6 4
Canada	[9]5 0	5 0					[8]5 0
Newfoundland and Labrador	[9]1 7	1 4					[8]1 4
Total, Africa	2 1	22 4	0 6	10 2	11 6		
Angola	1	(13)	(13) (7)				
British East Africa		1	-	1		-	-
Egypt		8 3		8 3			
Ethiopia	2	1 0	6	4			-
Liberia	[21]1 8	11 6	-		11 6		
Union of South Africa		1 4		1 4			
Total Oceania		11 4		10 9	5	•	
Australia		7 0		6 5	5	-	-
New Zealand		4 4		4 4			

[1] For important qualifications affecting this table and for definition of terms see the explanatory notes Provisions governing the collection of principal and interest vary and may call for payment in the form of various combinations of United States dollars real property, services, commodities, and foreign currency

[2] The column "Total Outstanding, June 30, 1945," is included to show readily the net change in indebtedness that has taken place as a result of postwar transactions The items in this column which are not specifically identified otherwise by footnotes relate to Export-Import Bank credits

[3] Amount partly estimated See footnote 8 to table F

[4] Commodity programs See footnote 19 to table F Commodity Credit Corporation (Department of Agriculture) is the lending agency in the amount of $33,300 000 and the U S Commercial Company (Reconstruction Finance Corporation) in the amount of $100,000

[5] See footnote 4 to table H

[6] See footnote 4 to table G

[7] Includes loans delinquent 90 days or more as follows (a) Export-Import Bank $241 759 in the following countries—Angola, $35 481 Poland, $3,492 Brazil, $142 980 Uruguay $59 806 and (b) U S Commercial Company (Reconstruction Finance Corporation), $1 511,208 in the following countries—Bolivia, $1,032,816, Brazil, $30,612, British Honduras, $443,901 and Ecuador $3,879

[8] Reconstruction Finance Corporation is the lending agency

[9] See footnote 3 to table J

[10] $3,450 000 under the loan administered by the Treasury Department, and $177 600,000 under the loan by the Reconstruction Finance Corporation

[11] Does not include $888 987 of a loan to an individual in Bolivia, written off as uncollectible by the U S Commercial Company (Reconstruction Finance Corporation) See footnote 6 to table J

[12] Includes participation by another agency of $7,000 000 in loans of Export-Import Bank to Brazil

[13] Less than $50,000

[14] $94,164 under a loan by the Reconstruction Finance Corporation, and $4 879 228 under credits by the Export Import Bank

[15] $115,727 under a loan by the Institute of Inter American Affairs (State Department) and $11,035,478 under credits by the Export-Import Bank

[16] The Institute of Inter American Affairs (State Department) is the lending agency

[17] Lend lease mutual aid agreements have been signed with all the Latin American Republics except Argentina and Panama Data with respect to them are shown in Miscellaneous Latin America

[18] $43 589,862 under lend lease credits (see footnote 17) and $59 140 under credits of the Export-Import Bank

[19] Based on a sale of surplus property by the War Department Amount estimated

[20] Commodity programs See footnote 17 to table F Commodity Credit Corporation (Department of Agriculture) is the lending agency

[21] Lend lease credit

Other Postwar United States Foreign Assistance

EXPLANATORY NOTES [1]

Tables L, M, and N show information on other postwar foreign assistance by the United States Government Table L is limited to assistance which was subject to settlement as of December 31, 1947, and is comparable with tables [of the same number] appearing in earlier reports of the National Advisory Council Table M is a new table providing data on assistance, the terms of which had been settled as of December 31, 1947, or which was not at any time subject to settlement The data presented in tables L and M, when combined, are equivalent to information on utilized grants presented in tables C and E of appendix C Table 7, appendix G, of the National Advisory Council Report of September 30, 1947, has been discontinued, and data formerly appearing in that table are now included under "Other assistance" in table M, appendix D of this report, as well as in tables C and E of appendix C

Table N presents information on assistance rendered through the United Nations Relief and Rehabilitation Administration Unlike all of the preceding tables, it is based in part on non-United States Government data The first column was obtained largely from a report of the United Nations Relief and Rehabilitation Administration, whereas the second column is derived from State Department fiscal records The data obtained from the United Nations Relief and Rehabilitation Administration are based on the cost of the merchandise to be distributed The cost of shipping, and field and administrative expenses can only be estimated The share of the United States in the total program is approximately 70 percent Data from State Department fiscal records represent the cost of commodities and services purchased with funds supplied by the Government of the United States, adjusted to include the estimated shipping cost distributed by country The contribution to administrative and other expenses and to free funds is shown separately The data in the second column of table N are also included in the column headed "Relief" of table M, to the extent that they apply to the postwar period

TABLE L—*Other postwar U S Government foreign assistance subject to settlement, July 1, 1945, through Dec 31, 1947, by country and by type*

[In millions of dollars]

Area and country	Total	Civilian supplies [1]	Lend lease [2]	Other
Total, all areas	2 738 8	1 778 5	767 1	193 3
Total Europe	1 104 8	989 1	42 0	73 7
Austria	92 7	92 7		
Czechoslovakia	2		2	
Germany (western)	738.0	738 0		
Greece	78 7		6 0	[3] 72 7
Poland	1	-	1	
Turkey	9	-		[3] 9
Union of Soviet Socialist Republics	35 7	-	35.7	
Unallocable	158 3	158 3		
Total, Asia	1 629 7	785 0	725 1	119 6
China	842.5		722 9	[4] 119 6
Japan	638 2	638 2		
Japanese Pacific Islands	26.2	26.2		
Korea (southern)	92.3	92 3		
Philippine Republic	28 3	28 3		
Saudi Arabia	2.2	-	2 2	
Total, Oceania Trust Territory of the Pacific	4 4	4 4		-

[1] Supplies distributed by the Army and Navy Departments in occupied areas Settlement has been made for an indeterminate part of the supplies shown as "Europe Unallocable" principally with northwest European countries

[2] Aid rendered during the period Sept 2 1945, through Sept 30, 1947

[3] Extended under Public Law 75, approved May 22, 1947

[4] Represents financial assistance to China under Public Law 442, approved Feb 7, 1942

[1] All figures are to the nearest $100,000 therefore in certain instances components will not necessarily add to totals because of rounding

TABLE M.—*Other postwar U. S. Government foreign assistance settled or not subject to settlement, July 1, 1945, through Dec. 31, 1947, by country and by type*

[In millions of dollars]

Area and country	Total	Civilian supplies	Lend lease	Relief [1]	Other
Total, all areas	3,722.2	252.7	516.8	2,812.9	140.4
Total, Europe	2,782.1	248.6	432.8	2,100.6	.1
Albania	19.7			19.7	
Austria	145.7			145.7	
Belgium and Luxembourg	63.2		62.1	1.1	
Czechoslovakia	181.4			181.4	
Finland	1.9			1.9	
France	74.4		57.3	17.1	
Germany (western)	3.8			3.8	
Greece	311.8			311.8	
Hungary	2.4			2.4	
Italy	761.8	244.4		516.0	
Netherlands	26.4		24.4	2.0	
Norway	.9			.9	
Poland	362.7			362.7	
Sweden	.6			.6	
Switzerland	1.8			1.8	
Trieste	11.8	4.2		7.6	
Union of Soviet Socialist Republics	186.4			186.4	
United Kingdom	297.4		289.0	8.4	
Yugoslavia	202.2			202.2	
Unallocable	36.4			36.3	.1
Total, Latin America	22.3		1.5		20.8
Total, Asia	492.7	4.1		369.1	119.5
China	358.4			358.4	
Korea (southern)	.3			.3	
Netherlands Indies	4.1	4.1			
Philippine Republic	129.8			10.4	119.5
Total, Africa	1.6			1.6	
Algeria	.1			.1	
Egypt	1.0			1.0	
Ethiopia	.4			.4	
Total, Oceania: Australia	.2			.2	
Unallocable	423.4		82.0	341.4	

[1] For further data concerning the United Nations Relief and Rehabilitation Administration see table N.

TABLE N.—*Assistance to foreign countries through the United Nations Relief and Rehabilitation Administration, shipments and disbursements through Mar 15, 1948, and goods, services, and funds provided by U S Government through Dec 31, 1947*

[In millions of dollars]

Area and country	Shipments and disburse ments through Mar 15, 1948	Goods serv ices, and funds provided UNRRA by U S Govern ment through Dec 31, 1947 [1]
Total assistance	[2] 3,700 0	[3] 2,659 8
Shipping, mission, and administrative expenses	[4] 800 0	[5] 824 9
Total, all areas	[6] 2 908 4	2,334 9
Total, Europe	2 341 7	1,844 8
Albania	26 3	20 4
Austria	135 5	72.7
Byelorussian Soviet Socialist Republic	60 8	
Czechoslovakia	261 3	189 1
Finland	2 4	1 8
Greece	351 1	282 0
Hungary	4 4	2 4
Italy	418 2	416 8
Poland	477 9	374 1
San Marino	(7)	
Ukrainian Soviet Socialist Republic	188 2	[8] 186 4
Yugoslavia	415 6	299 1
Total, Asia	528 7	371 3
China	517 8	363 1
Korea	1 0	5
Philippine Republic	9 9	7 7
Total Africa Ethiopia	9	4
Special programs	[9] 32 0	
Unclassified		[10] 118.4

[1] Based on State Department fiscal records A small part of this total was provided before July 1, 1945
[2] Estimated (see footnote 4)
[3] The total available contributions of the U S Government amounted to $2,700 000,000, of which $40, 200,000 was recorded as unutilized on the State Department fiscal records as of Dec 31, 1947 It is estimated that approximately $25,000 000 of this amount will not be utilized, and will revert to the U S Treasury
[4] Estimated at $800 000 000 on the basis of total United Nations Relief and Rehabilitation Administration resources chargeable to program of operations reported in the Twelfth Report to Congress on Operations of United Nations Relief and Rehabilitation Administration, and exclusive of approximately $300,000,000 contributions received from private and other sources
[5] Exclusive of shipping expenses which have been distributed by country
[6] Source United Nations Relief and Rehabilitation Administration, Final Operational Report
[7] Less than $50,000
[8] Includes Byelorussian Soviet Socialist Republic
[9] Includes special projects and displaced persons camps
[10] Includes countries in which the United Nations Relief and Rehabilitation Administration special projects and displaced persons camps operated also, countries of initial destination from which goods may have been transshipped, with or without processing, or to which goods may have been delivered as repay ment for stocks previously received by United Nations Relief and Rehabilitation Administration

Appendix E

TABLE O.—*Membership and quotas in the International Monetary Fund, and membership and subscriptions in the International Bank for Reconstruction and Development, as of March 31, 1948*

[In millions of dollars]

Member	Fund quota	Bank subscription	Member	Fund quota	Bank subscription
Total	7 970 0	8 263 1	Iceland	1 0	1 0
			India	400 0	400 0
Australia	200 0	200 0	Iran	25 0	24 0
Belgium	225 0	225 0	Iraq	8 0	6 0
Bolivia	10 0	7 0	Italy	180 0	180.0
Brazil	150 0	105 0	Lebanon	4 5	4 5
Canada	300 0	325 0	Luxembourg	10.0	10 0
Chile	50 0	35 0	Mexico	90 0	65 0
China	550 0	600 0	Netherlands	275 0	275 0
Colombia	50 0	35 0	Nicaragua	2.0	8
Costa Rica	5 0	2.0	Norway	50 0	50 0
Cuba	50 0	35 0	Panama	5	2
Czechoslovakia	125 0	125 0	Paraguay	3 5	1 4
Denmark	68 0	68 0	Peru	25 0	17 5
Dominican Republic	5 0	2 0	Philippines	15 0	15 0
Ecuador	5 0	3 2	Poland	125 0	125 0
Egypt	00 0	40 0	Syria	6 5	6 5
El Salvador	2 5	1 0	Turkey	43 0	43 0
Ethiopia	6 0	3 0	Union of South Africa	100.0	100 0
Finland	38 0	38 0	United Kingdom	1 300 0	1 300 0
France	525 0	525 0	United States	2,750 0	3 175 0
Greece	40 0	25 0	Uruguay	15 0	10.5
Guatemala	5 0	2 0	Venezuela	15 0	10 5
Honduras	2 5	1 0	Yugoslavia	60 0	40 0

Exhibit 21.—Joint memorandum, January 22, 1948, by Secretary of the Treasury Snyder and Attorney General Clark, relating to the termination of the residual blocking operations of Foreign Funds Control

JANUARY 22, 1948

The Departments of Justice and Treasury have discussed the ways and means by which the residual blocking operations of Foreign Funds Control could be terminated as rapidly as possible consistent with achieving this Government's objectives of (1) discovering enemy assets concealed in blocked accounts and (2) assisting European governments which receive financial assistance under the European Recovery Program (referred to hereafter as recipient countries) to locate, control or otherwise obtain the benefit of the blocked assets in the United States of their resident citizens. To this end, the program set out below has been formulated by and has the approval of the two Departments.

Three-months public notice will shortly be given, after which assets then remaining blocked, including assets not certified by the appropriate foreign governments as free of enemy taint, will be transferred to the jurisdiction of the Office of Alien Property in the Department of Justice. That Office will take a new census of the assets which remain blocked as of the deadline date. In order effectively to help the recipient countries, the Office of Alien Property will then promptly carry out the following policies:

(a) To deal with the directly held assets by making available to the governments of such countries the information from the new census of blocked assets of their citizens, including juridical persons, residing in their territories which remain uncertified as of the public deadline date referred to above. Each country receiving such information will be required to investigate the beneficial ownership of property held in the names of their citizens for the purpose of discovering any enemy interest, so that enemy property will not escape this Government. Pending a reasonable period for such investigations, such property will not be vested but will remain blocked under the jurisdiction of the Office of Alien Property. If those investigations show that the assets are owned by residents of the country receiving the information, the assets will be released.

(b) To deal with indirectly held assets by a vesting program with respect to accounts which remain uncertified after the deadline date. Processing of uncertified assets in Swiss and Liechtenstein accounts for vesting under applicable law as enemy property will be started immediately after the receipt of the census information by the Office of Alien Property. The vesting program will also be applied to uncertified assets held indirectly through recipient countries where the program described in (a) above does not result in disclosure to the beneficial owner's government. In the absence of definite evidence of nonenemy ownership, full weight will be given to the presumption of enemy ownership arising from the failure to obtain certification. Evidence of nonenemy ownership or interest offered either before or after vesting would be checked in accordance with the usual investigative procedures of the Office of Alien Property. These procedures involve disclosure to the governments of the countries of which persons claiming legal or beneficial interests are residents. Of course, any vested assets which are proved to be nonenemy may be returned under existing law applicable to the return of vested property.

To permit both ourselves and the recipient countries to concentrate on the areas where important results are likely to be obtained, accounts containing small amounts of property, say up to $5,000, will be unblocked in the near future without requiring certification or other formalities except where a known German, Japanese, Hungarian, Bulgarian, or Rumanian interest exists. So far as private assets of recipient countries are concerned, it is estimated that this action will eliminate about 50 percent of the accounts involved, but will release less than 5 percent of the blocked assets which are unknown to the recipient countries.

The President has authority under the Trading with the Enemy Act to put the above program into effect. Because of the serious policy considerations involved, the Congress will be informed during the hearings on the European Recovery Program of our intention, unless the Congress objects, to carry out the information and vesting policies described above.

JOHN W. SNYDER,
Secretary of the Treasury.
TOM C. CLARK,
Attorney General.

Exhibit 22—*Letter, February 2, 1948, to* **Senator Arthur H Vandenberg, Chairman of the Senate Foreign Relations Committee, from Secretary Snyder as Chairman of the National Advisory Council, relating to the termination of the blocking operations of the Treasury Department** *in relation to the European* **Recovery Program**

MY DEAR SENATOR You will recall that when I appeared before the Senate Foreign Relations Committee to discuss the financial aspects of the European Recovery Program I indicated that I would soon be ready to report the results of the National Advisory Council's consideration of the extent to which this Government should assist countries likely to receive financial assistance under the European Recovery Program in locating the assets of their nationals concealed in the United States

On that occasion I discussed the extent to which the dollar and gold holdings of the participating countries could be integrated with the European Recovery Program In that connection I stated

"Some people have argued that the participating countries should pay for part of the program by using up their gold and dollar assets in the United States, and by liquidating the American investments of their own citizens I need not labor the point that the European countries must have some gold and dollar reserves to finance their international trade if they are to return to normal operations after 1952 It should be kept in mind that the European Recovery Program is not intended to cover the entire import requirements of these countries It would be folly on our part to force the European countries to use up their gold and dollar balances to a point where they would not have adequate funds to operate through ordinary commercial and financial channels By insisting that the participating countries exhaust their gold and dollar balances, we would merely add further instability to their monetary systems As a matter of fact, all of the participating countries except Switzerland, Turkey, and Portugal have already reduced their dollar balances to or below the amount which would normally be regarded as safe

"When we turn to the possibility of liquidating European investments in the United States, we must also look at the problem in terms of its long-run consequences These investments annually earn a dollar income, which will be used to cover part of the cost of the program, and which will be used in the future to meet part of the cost of imports after the program ends Without these investments, the balance-of-payments situation of the participating countries will be worse in the future I doubt very much that it would be wise policy for the United States to force European countries as a general rule to liquidate the property owned in the United States by their nationals as a condition for receiving aid from this Government

* * * * * * *

"Some of the governments, however, will decide to liquidate some or all of their holdings so as to pay for imports In practice this may be an alternative to borrowing from the United States * * *"

I emphasize again that, in the judgment of the National Advisory Council, it would not be wise to force countries likely to receive financial aid from the United States (referred to hereafter as "recipient countries") to liquidate the private holdings of their nationals as a condition to receiving such aid But the problem of assisting these countries in locating the private assets of their nationals is separate and distinct It is this problem which the National Advisory Council and the Executive Departments concerned have been studying for some time

The problem stems from the fact that nationals of some recipient countries have for many years followed the practice of concealing their assets in the United States Some hold property directly in their own names, others hold indirectly through intermediaries in third countries, notably Switzerland These assets are concealed in this country despite the fact that the foreign exchange laws of the recipient countries typically require that foreign exchange assets be declared, some also require the turning over of liquid dollar holdings in exchange for local currency, practically all require that licenses be obtained for the expenditure of foreign exchange assets

It is important to distinguish between two categories of assets blocked assets and free assets By blocked assets we mean those which are frozen in the United States under the Foreign Funds Control of the Treasury Department It will be recalled that as a wartime measure the President, pursuant to section 5 (b) of the Trading with the Enemy Act, blocked, under control of the Treasury, the private and public holdings in the United States of all of the European countries

except the United Kingdom, Eire, and Turkey Beginning in October 1945, machinery has been put in effect which provides for the unblocking of assets of persons in most of the formerly enemy-occupied and neutral countries if the government of the country where the beneficial owner of funds resides certifies to the private American custodian holding the assets that there is no enemy interest in such assets The primary purpose of this procedure is to find concealed enemy property The procedure is now applicable to all the recipient countries whose assets were blocked However, not all the nationals of these countries have availed themselves of this procedure, which has the incidental effect of disclosing to their respective governments the ownership of assets in the United States As a result the Treasury through Foreign Funds Control is still controlling a fairly substantial amount of blocked assets

Free assets include all the dollar assets owned by nationals of Britain, Turkey, and Eire, for these assets, to repeat, were never blocked In addition, free assets have accrued in the United States on behalf of residents of the other recipient countries since December 1945 when controls were lifted from all current transactions between the United States and nationals of these countries

It is obviously impossible to ascertain accurately the amount of private dollar assets owned by resident citizens of recipient countries which are unknown to their governments despite the reporting requirements of such governments Moreover, we have no controls which require complete and continuous reporting of foreign-owned assets However, we have made certain estimates based on an analysis of the best facts and figures available to this Government

As far as the free assets are concerned, we have concluded, as a result of investigations and consultation with the various governments, that they are for the most part known to the governments of the recipient countries We have estimated that as of June 30, 1947, private persons, including noncitizens, residing in the recipient countries, had free assets in the United States approximating $4 3 billion Of this amount $2 3 billion represents holdings of nationals of the United Kingdom, which has adequate information respecting these assets In addition, from Foreign Funds Control operations we know that about $1 3 billion represents assets of residents of recipient countries which have been certified for unblocking and hence are known to those governments The balance includes proceeds from the liquidation of securities which has taken place in the United States with the knowledge of the appropriate governments, accruals from current transactions which are subject to control by the governments of the recipient countries, and assets of noncitizens resident in these countries Some free assets may have accumulated here unknown to the respective governments, but we consider that the amounts are probably insignificant

We come now to the question of the blocked assets held directly in the names of citizens of recipient countries and indirectly for their benefit through Swiss intermediaries These assets are for the most part unknown to the respective governments, otherwise the appropriate unblocking certifications would have by now been obtained and the identity of the respective owners disclosed Precise figures on the amount of these blocked assets are not available Under the existing certification procedure, as has already been indicated, the certification is made directly by the foreign government to the private American custodian holding the assets and no report is made to the Treasury other than general summaries which have been obtained from the countries concerned To have maintained current records on changes in blocked accounts would have subjected American financial institutions and the Government to unjustifiable costs and difficulties

According to our best estimates resident citizens of recipient countries hold in the United States approximately $700 million of blocked assets which are in a form readily available for meeting the balance-of-payment problems of the recipient countries Of this amount, about $400 million are held here directly in the names of the resident citizens, the balance of about $300 million is held indirectly through Switzerland In addition, resident citizens of recipient countries hold blocked investments in controlled enterprises, in estates and trusts, etc , which cannot readily be liquidated, although most of them are valuable sources of current dollar income We estimate that they hold directly in this nonliquid form of investment about $400 million and an additional small but unascertainable amount indirectly through Switzerland

It appears that so far as the recipient countries are concerned the resident citizens of France have in the United States the largest amount of concealed

private blocked assets in a form which could be used in meeting balance-of-payment problems or to supplement official reserves We estimate that the amount of the directly held assets in this form of investment would run between $100 million to $150 million The French Ministry of Finance has estimated that these assets amount to about $150 million In addition, French resident citizens hold indirectly through Switzerland liquid assets of probably between $200 and $250 million

The policy we should adopt with respect to assisting the recipient countries in obtaining control of the private dollar assets which are hidden in this country by their citizens has been a subject of much discussion in recent months Representatives of financial institutions have urged that it is fundamental to our free private enterprise system and, in particular to our capital market, to respect private property whether or not it is held by foreign nationals Some felt that the United States Government should not adopt the policy of cooperating with foreign countries in the enforcement of their exchange control laws Finally, it was argued that to adopt measures having the effect of forcing the disclosure to foreign governments of private property held by their citizens in the United States would put this Government in the position of supporting partial confiscation of private property This last point relates to those cases where foreign countries require the surrender of dollar assets, against reimbursement in local currency at unrealistic rates of exchange

The National Advisory Council gave serious consideration to these views The Council doubted that under ordinary conditions this Government should assist foreign governments in enforcing their foreign exchange laws However, these are not ordinary times Some European countries are in dire need of dollars to permit their survival as free nations American taxpayers are being called upon to make substantial contributions to European recovery Moreover, most of the foreign governments have repeatedly asked our assistance in obtaining control of the holdings of their citizens, who have concealed them contrary to the laws and national interest of their countries It is these circumstances, I am sure, which have inspired marked public interest in the problem and have produced various legislative proposals for action, such as the Kunkel bill (H R 4576) and the Norblad resolution (H J Res 268)

The Council studied in detail many alternative proposals for dealing with this problem in an effort to arrive at a solution which would assist recipient countries to obtain the use of concealed private assets in the United States without doing violence to the traditional status of private property None of these alternatives promised at the same time actually to protect the private interests of foreign nationals, to assist the recipient countries to mobilize the concealed dollar assets of their resident citizens, and to prevent the escape of concealed enemy assets

The Council concluded that no action should be taken regarding free assets because the amounts which are unknown to the governments of recipient countries are probably insignificant, and in any event serious practical difficulties would be involved Effectively to search out and take control of these free assets would require exchange controls and other measures which would do maximum violence to our position as a world financial center and to our policy of keeping the dollar substantially free of restrictions

The Council also concluded, however, that this Government should assist the recipient countries to obtain control of the blocked assets in the United States of their resident citizens Accordingly, it was agreed that the program described below, which has been developed by the Justice and Treasury Departments, should be put into operation promptly In the opinion of the Council this program is the most effective way to accomplish the above objective and to prevent the escape of enemy assets

The program provides that public notice will shortly be given that at the end of three months assets remaining blocked, including assets not certified by the appropriate foreign government as free of enemy taint, will be transferred to the jurisdiction of the Office of Alien Property in the Department of Justice To permit this Government and the foreign governments concerned to concentrate on the areas where important results are likely to be obtained, accounts containing small amounts of property, say up to $5,000, will be unblocked in the near future without requiring certification or other formalities except where a known German, Japanese, Hungarian, Rumanian, or Bulgarian interest exists The Office of Alien Property will take a new census of the assets which remain blocked as of the deadline date In order effectively to help the recipient countries obtain control

of the blocked assets of their resident citizens, the Office of Alien Property will then promptly carry out the following policies

(a) To deal with the directly held assets by making available to governments of recipient countries the information from the new census of blocked assets of their citizens, including juridical persons, residing in their territories which remain uncertified as of the public deadline date referred to above Each country receiving such information will be required to investigate the beneficial ownership of property held in the names of its citizens for the purpose of discovering any enemy interest Pending a reasonable period for such investigations, such property will not be vested but will remain blocked under the jurisdiction of the Office of Alien Property If these investigations show that the assets are owned by residents of the country receiving the information the assets will be released

(b) To deal with indirectly held assets by a vesting program with respect to accounts which remain uncertified after the deadline date Processing of uncertified assets in Swiss and Liechtenstein accounts for vesting under applicable law as enemy property will be started immediately after the receipt of the census information by the Office of Alien Property The vesting program will also be applied to uncertified assets held indirectly through recipient countries where the program described in (a) above does not result in disclosure to the beneficial owner's government (e g, French assets held through the Netherlands) In the absence of definite evidence of nonenemy ownership, full weight will be given to the presumption of enemy ownership arising from the failure to obtain certification Evidence of nonenemy ownership or interest offered either before or after vesting will be checked in accordance with the usual investigative procedures of the Office of Alien Property These procedures involve disclosure to the governments of the countries of which persons claiming legal or beneficial interests are residents Of course, any vested assets which are proved to be nonenemy may be returned under existing law applicable to the return of vested property

The Attorney General has informed the Council that there is adequate authority under the Trading with the Enemy Act, as amended, to carry out all aspects of the above program

The vesting aspect of this program appears under the circumstances to be the most effective means of rendering help to countries with regard to indirectly held assets There is no satisfactory alternative to a procedure which will compel foreign nationals either to disclose their concealed dollar assets to their respective governments or to forfeit them to the United States To date the certification procedure, which applies to Swiss and Liechtenstein accounts, as well as to accounts of recipient country nationals, has not been utilized by many citizens of recipient countries to obtain the unblocking of accounts in the United States This is so with regard to assets held through Switzerland for resident citizens of recipient countries because the owners of these assets know that Switzerland cannot, under the existing procedure, certify their assets without securing a cross-certification from the government of the country where they reside thus disclosing their identity to their government Actually, however, there is no effective way to ascertain whether property held in Swiss accounts is Swiss-owned, enemy-owned, or owned by resident citizens of recipient countries, except to rely on the Swiss and other interested governments

It must be recognized that resident citizens of recipient countries who hold their assets through third countries and who have not revealed such assets to their own government may choose not to declare their assets to their own governments for certification, notwithstanding the announced program to vest these assets and even nothwithstanding any amnesty which countries may offer These persons would, in effect, choose to forfeit their indirectly held assets to the United States rather than to disclose them to their governments If this proves to be the case, consideration could be given at a later date to the allocation by appropriate congressional action of the vested assets among the recipient countries

In conclusion, I want to call your attention to the fact that this program also provides for the orderly termination of Treasury's blocking operations This follows from the fact that, in addition to specifying the treatment to be accorded the uncertified assets in recipient country accounts and Swiss and Liechtenstein accounts, the program calls for the transfer to the jurisdiction of the Office of Alien Property of all other assets remaining blocked as of the public deadline date Thus German and Japanese assets will be transferred and vested Hungarian, Rumanian, and Bulgarian assets will be transferred and will remain blocked until a settlement of war claims with these countries is made Finnish, Polish, and Czechoslovakian blocked assets, which do not exceed $5 million, will be trans-

ferred and remain blocked for the time being Yugoslavian, Estonian, Latvian, and Lithuanian blocked assets will also be transferred to the Office of Alien Property and remain blocked until various current problems have been resolved Spanish and Portuguese assets are still blocked pending the completion of the current negotiations with Spain and Portugal covering looted gold and German assets If these negotiations are successfully completed before the public deadline date, arrangements can promptly be made for the unblocking of these assets, on the other hand, if the negotiations are not completed by that date, these assets would likewise be covered in the transfer to the Office of Alien Property and would remain blocked pending the conclusion of the negotiations

It is the intention of the Treasury and Justice Departments to proceed promptly to carry out the above program

Sincerely yours,

JOHN W SNYDER,
Chairman, National Advisory Council on International Monetary and Financial Problems

HONORABLE ARTHUR H VANDENBERG,
Chairman, Senate Foreign Relations Committee, United States Senate, Washington, D C

Exhibit 23—Joint announcement, March 1, 1948, of Secretary of the Treasury Snyder and Attorney General Clark, relating to the transfer of jurisdiction of blocked foreign funds to the Office of Alien Property in the Department of Justice

Secretary of the Treasury Snyder today announced that effective June 1, 1948, the Treasury Department will cease to have jurisdiction of blocked foreign funds On that date, the jurisdiction over the remaining blocked assets will be transferred from Foreign Funds Control in the Treasury Department to the Office of Alien Property in the Department of Justice Attorney General Clark joined Secretary Snyder in urging that persons whose assets may be unblocked under the certification procedure provided by Treasury's General License No 95 avail themselves of this procedure before June 1, 1948 After that date, outstanding licenses authorizing withdrawals or changes in the assets will become inoperative

The Attorney General stated that immediately upon transfer he will take a census of all assets remaining blocked In line with this Government's decision to assist countries which receive financial aid under the European Recovery Program in locating assets of their resident nationals held in the United States, the information concerning the names and assets of such nationals as disclosed by the new census will be given to the governments of the appropriate countries

In addition, the Attorney General stated that in order to prevent the escape of enemy assets from this Government's control and to implement further this Government's objective to assist countries which receive financial aid under the European Recovery Program, the Office of Alien Property, immediately after receipt of the census information, will begin to process for vesting the assets remaining blocked and held in Swiss and Liechtenstein accounts The vesting program will also be applied to uncertified assets held indirectly through recipient countries where the census information does not disclose the beneficial owner Assets, either before or after vesting, may be released upon a showing of nonenemy interest In such cases, the Office of Alien Property will consult with the government of the country of which the alleged beneficial owner is a resident It was pointed out that claims for the return of property vested in the Attorney General must be filed within two years after the date of vesting

Secretary Snyder added that Treasury, Justice, and State Department representatives are currently engaged in discussions with representatives of the Swiss Government concerning certain aspects of the program It was pointed out that Switzerland is not a country which is to receive financial assistance under the European Recovery Program

The governments of the European Recovery Program countries included in General License No 95 are being requested to give their residents public notice of the action which will be taken by the United States on June 1, 1948, and to urge their residents to apply to them immediately for the certification of their assets held in the United States if the assets qualify for certification Secretary Snyder suggested that persons in the United States holding blocked assets of

foreign nationals immediately inform such nationals of today's announcement

Treasury officials stated that this announcement in no way affects its control over importation of securities specified on the list attached as a part of General Ruling No 5

Exhibit 24.—Announcement, August 20, 1947, of Secretary of the Treasury Snyder and Acting Secretary of State Lovett, concerning the emergency action taken by the United Kingdom Government to stop the excessive drains on its dollar reserves

Secretary of the Treasury Snyder and Acting Secretary of State Lovett announced today that consultations which have taken place between the Governments of the United States and the United Kingdom have resulted in an understanding between the two Governments concerning emergency action being taken by the United Kingdom Government to stop the excessive drains to which its dollar resources have been subjected in recent weeks This understanding is embodied in the attached letters exchanged by the Rt Hon Hugh Dalton, Chancellor of the Exchequer, and Secretary of the Treasury John W Snyder

TREASURY CHAMBERS,
Great George St , London, S W 1, August 20, 1947

DEAR MR SECRETARY H M Government have to inform the United States Government that they have found it necessary to take immediate stringent measures to counter the recent excessive drain on their dollar resources Unless this drain is checked at once H M Government will be unable to pursue the objectives of the international monetary and economic policy of which the Anglo-American Financial Agreement is a signal expression Accordingly the system of transferable accounts will be modified at the close of business today, August 20, so as to make it possible effectively to control dollar outpayments

This action is of an emergency and temporary nature which H M Government consider to be within the intentions and purposes of the Financial Agreement and which they hope will enable them to take appropriate action to assure that the limited dollar resources of the United Kingdom are available for the purposes contemplated by the Financial Agreement and are not diverted to other ends H M Government wish to indicate, however, that developing circumstances will probably make necessary consultations between the two Governments concerning the application of section 8 (ii) of the Financial Agreement in certain cases in which exceptional features exist

By these means H M Government believe that it will be possible to work out in consultation with the United States Government and within the framework of the Financial Agreement and of the International Monetary Fund agreement a constructive policy which will be best suited to changes in the situation as they appear and which will lead towards the objectives laid down in both those agreements

The restrictions now contemplated should not be interpreted as in any degree indicating a modification of H M Government's oft-expressed view as to the desirability of maintaining full and free convertibility of sterling As a long-run objective, such convertibility is an indispensable element in British financial policy The steps presently being taken are to be regarded as purely emergency in character

H M Government also wish to state that payments between the United Kingdom and the United States will not be affected by the action which is being taken

H M Government appreciate that in the circumstances which have arisen, provision is made in section 8 (ii) (b) of the Financial Agreement for consultation prior to agreement if the Governments of the United Kingdom and the United States are to continue to invoke the provisions of article XIV section 2 of the Articles of Agreement of the International Monetary Fund H M Government would not propose to notify any further withdrawals, beyond those already notified, from the line of credit, until the consultation contemplated as above has been carried out

Yours sincerely,

HUGH DALTON.

HONORABLE JOHN W SNYDER,
Secretary of the Treasury, Washington, D C

AUGUST 20, 1947

MY DEAR CHANCELLOR The United States Government acknowledges the United Kingdom Government's letter of August 20 and takes sympathetic note of the grave drains to which its dollar resources are currently being subjected These drains have run at a rate greatly in excess of the normal flow of current transactions with consequent peril to the re creation of the multilateral payments system which is a major objective of the Anglo-American Financial Agreement

It is appreciated that the action described in the first paragraph of your letter is of an emergency and temporary nature, and is deemed by you essential to afford the United Kingdom Government an opportunity for instituting measures to protect the system of convertibility from abuses which endanger its survival

The United States Government notes with satisfaction the assurance of the United Kingdom Government that it will be possible to work out the proposed action within the framework of the Financial Agreement It also notes with satisfaction the intention of the United Kingdom Government to consult with this Government respecting any action which it may propose in accordance with section 8 (ii) of the Financial Agreement

The United States Government notes the statement in the final paragraph of your letter

Sincerely yours,

JOHN W SNYDER,
Secretary of the Treasury

RIGHT HONORABLE HUGH DALTON,
Chancellor of the Exchequer, Treasury Chambers, London, England

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Exhibit 25 —Letters exchanged between Secretary of the Treasury Snyder and Sir Stafford Cripps, Chancellor of the Exchequer of the United Kingdom, relative to the resumption of withdrawals by the United Kingdom against the credit established by the Anglo-American Financial Agreement (release December 6, 1947)

Secretary Snyder today released an exchange of letters between himself and Sir Stafford Cripps, the Chancellor of the Exchequer of the United Kingdom whereby it is agreed that it is now appropriate for the United Kingdom to resume withdrawals against the line of credit established by the Anglo-American Financial Agreement of December 6, 1945

In reviewing the events leading to this exchange of letters, Secretary Snyder recalled that withdrawals against the credit were temporarily discontinued in August on the basis of a mutual agreement between the two Governments The action was taken simultaneously with the instituting of emergency steps by the United Kingdom to stop an unanticipated and excessive drain on her resources which followed the granting of free convertibility of sterling in July

Secretary Snyder cautioned however that while progress had been made toward the working out of a satisfactory program dealing with the convertibility of sterling, the serious economic conditions existing in the world would delay for some time the restoration of full convertibility In this connection he pointed out that there are, however, no restrictions on the convertibility of sterling held in current accounts of United States residents

Secretary Snyder stated that the resumption of drawings against the line of credit at this time would permit the United Kingdom to continue the purchases in the United States necessary to maintain its present austerity program and hence would not add to inflationary pressures in this country

Attached are the texts of letters exchanged by Secretary Snyder and Chancellor Cripps

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TREASURY CHAMBERS,
Great George Street, London, S W 1, 4th December, 1947

MY DEAR MR SECRETARY I refer to the exchange of letters of August 20, 1947, between our two Governments and to the discussions pertaining thereto whereby it was agreed that for a temporary period His Majesty's Government would not notify any further withdrawals against the line of credit established under the Anglo-American Financial Agreement, and it was contemplated that consultation would be undertaken with respect to a constructive program which

would be best calculated to achieve the objectives of the Agreement and at the same time to conserve British dollar resources in this critical period

As you know, representatives of our two Treasuries have been in frequent consultation and considerable progress has been made toward these ends Accordingly it now appears to me appropriate for His Majesty's Government to resume drawings against the line of credit

I should like to take this opportunity to reaffirm the intention of His Majesty's Government to adhere as closely as possible to the objectives of the Agreement at all times and to implement these objectives fully at the earliest possible time

Yours sincerely,

STAFFORD CRIPPS,
Chancellor of the Exchequer

HONORABLE JOHN W SNYDER,
Secretary of the Treasury, Washington 25, D C

DECEMBER 5, 1947

MY DEAR CHANCELLOR I have your letter of December 4, 1947, advising me of the desire of His Majesty's Government to resume withdrawals against the line of credit established under the Anglo-American Agreement of December 6, 1945 The frequent consultations between the representatives of our two Treasuries lead me to confirm your understanding that, as contemplated in the August 20 exchange of letters between our two Governments and the discussions pertaining thereto, it is now appropriate for your Government to resume drawings against the line of credit

I am pleased to receive your reaffirmation of the intention of your Government to implement fully at the earliest possible time the principles embodied in the Anglo-American Agreement and to adhere to them as closely as possible at all times

Sincerely yours,

JOHN W SNYDER,
Secretary of the Treasury

RIGHT HONORABLE SIR STAFFORD CRIPPS P C, M P,
Chancellor of the Exchequer, Treasury Chambers, London England

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Exhibit 26 —Statement, January 14, 1948, of Secretary of the Treasury Snyder before the Senate Foreign Relations Committee, on financing the European Recovery Program

The President, in his message, has laid before you the administration's proposal for a European Recovery Program and in greater detail the Secretary of State has described the need for assistance to Europe and the manner in which, and extent to which, it is recommended that American assistance be given The financial aspects of the program have been carefully considered by the National Advisory Council on International Monetary and Financial Problems This is a program for the economic recovery of Europe, it is not merely a relief program The Council throughout has approached the foreign financial policy issues involved to determine what specific lines of action would most effectively contribute to this basic objective of economic recovery As Chairman of the Council, I welcome this opportunity to set forth the conclusions reached by the Council and then to comment on the financing of the program

First, I shall review the principal financial aspects of the program, then say something about the measures which we shall expect the European countries themselves to take, and finally comment briefly on the financing of the aid program

LOANS VERSUS GRANTS

The first matter which I wish to take up is the question of the form in which aid should be extended to Europe This assistance should be provided as a combination of grants-in-aid and loans The criterion for selecting one or the other form should be the capacity of the participating countries to earn, in the years to come, the dollars which would be needed to pay interest and principal We must keep in mind that these countries have already incurred an obligation for large annual payments of interest and amortization arising from the dollar loans

extended to them over a period of years by the United States Government or the United States private capital market We should take care not to insist that these countries contract additional dollar debts which will absorb so much of their dollar earnings as to operate to the disadvantage of future trade and private investment If the entire aid for European countries were to be on a loan basis, it would be practically impossible for them to meet the additional annual charges from their earnings of dollars, even after trade and investment return to normal The proportion of total aid which can prudently be provided on a loan basis must depend on the estimate of the borrowing country's capacity to repay in dollars and also on the degree of flexibility which can be introduced into the terms of repayment

The International Bank may be expected to finance part of the capital requirements of the European countries, particularly where they require the financing of permanent additions to their equipment It does not seem likely, however, that the Bank will be able to carry the whole, or even the major, part of the program which properly ought to be put on a loan basis We propose, therefore that when the Administrator for Economic Cooperation decides, after consulting the National Advisory Council, that it is desirable to extend aid on a credit basis, he will allocate the funds to the Export-Import Bank of Washington, which will then make the loan as directed and on terms specified by the Administrator in consultation with the National Advisory Council This procedure will enable the Administrator to draw upon the broad experience of the Export-Import Bank in the making of foreign loans Incidentally, this is one example of the manner in which the National Advisory Council would perform its customary role of coordination of United States foreign financial policy I shall be glad to describe this role in greater detail if the members of the committee wish me to do so

GUARANTIES

It is also important that the American business enterprises be given opportunity to participate in the recovery program by making new investments abroad, or by expanding existing facilities where the program calls for additional capital equipment In this way they will contribute to the restoration of Europe, while at the same time they will be carrying out their own programs for expansion abroad But we must recognize that new investments would be made at a time of great uncertainty and that investors may anticipate encountering difficulty in converting their earnings or their original principal into dollars To facilitate private investment, therefore, it will probably be necessary for the Government to guarantee the convertibility into dollars of local currency earned by the investment or available for the repatriation of the original investment While we may expect that the participating countries will try to make dollars available, it is possible that they will not have adequate dollars to permit conversion The Economic Cooperation Administration should not be expected to guarantee American companies making these investments against normal risks, but merely to give them a transfer guaranty We propose that not more than 5 percent of the funds appropriated by Congress for this program should be obligated for these guaranties, and that the guaranties themselves should not exceed the amount of the original investment and should not be extended more than 10 years from the termination of the 4-year program

LIQUIDATION OF FOREIGN ASSETS

Some people have argued that the participating countries should pay for part of the program by using up their gold and dollar assets in the United States, and by liquidating the American investments of their own citizens I need not labor the point that the European countries must have some gold and dollar reserves to finance their international trade if they are to return to normal operations after 1952 It should be kept in mind that the Economic Recovery Program is not intended to cover the entire import requirements of these countries It would be folly on our part to force the European countries to use up their gold and dollar balances to a point where they would not have adequate funds to operate smoothly through ordinary commercial and financial channels By insisting that the participating countries exhaust their gold and dollar balances, we would merely add further instability to their monetary systems As a matter of fact, all of the participating countries, except Switzerland, Turkey, and Portugal, have already reduced their dollar balances to or below the amount which would normally be regarded as safe

When we turn to the possibility of liquidating European investments in the United States, we must also look at the problem in terms of its long-run consequences These investments annually earn a dollar income, which will be used to cover part of the cost of the program, and which will be used in the future to meet part of the cost of imports after the program ends Without these investments, the balance-of-payments situation of the participating countries will be worse in the future I doubt very much that it would be wise policy for the United States to require European countries as a general rule to liquidate the property owned in the United States by their nationals as a condition for receiving aid from this Government

Even if these countries could liquidate all of the property owned by their citizens in the United States, they could not pay for more than a small part of the program We estimate that as of last June 30, the dollar assets held by persons in the recipient countries amounted to about $4,800,000,000 Of this amount $1,500,000,000 consisted of direct investments, and a considerable part of the remainder also consists of holdings which would be difficult to liquidate Some of these assets are already pledged for loans, while for many of the countries involved the amounts held here are negligible

Some of the governments, however, will decide to liquidate some or all of their holdings so as to pay for imports In practice this may be an alternative to borrowing from the United States We certainly will not object to the governments using these funds The question of policy for us to decide is the extent to which we can help these countries in obtaining control of these assets In the case of unblocked assets, the only way the European governments can get control of them under present circumstances is through the compliance of their citizens with local laws In fact, a considerable portion of the assets formerly blocked in the United States had been unfrozen as a result of such action While we do not have exact data on unblocked assets, we believe the amount is comparatively small

A large part of the blocked assets are still blocked because their owners have not obtained from their own governments the certification that there is no enemy interest in their assets, which is required by the United States Treasury before the assets are unblocked The National Advisory Council and the executive departments concerned with this matter are giving very careful study to this problem We hope to reach a final view as to the most satisfactory solution of this problem very shortly, and I should like at that time to appear before you again to outlin our program

OFFSHORE PROCUREMENT

It will not be possible to obtain all the goods needed for the recovery program in the United States, nor would it be desirable to attempt to do so Some commodities are in short supply here, and purchasing abroad would leave more available for our own population and would in many instances reduce the net cost of the program The needed amounts of food cannot be obtained in the United States A large percentage of the requirements of grain, fats and oils, meat, and other agricultural products can be procured only in other countries of the Western Hemisphere In this manner we can make it possible for countries in the Western Hemisphere to supply larger amounts of foods and materials to Europe and at the same time maintain essential imports from the United States

It is the opinion, therefore, of the National Advisory Council that the Economic Cooperation Administrator should be authorized to expend funds for the procurement of supplies for the recovery program outside of the United States This would relieve pressure upon goods and services in short supply in the United States, and would in some instances have the further effect of assisting third countries in maintaining needed imports from the United States We definitely would not permit the use of dollars to buy goods abroad where the supplies available in the United States at reasonable prices are adequate for our needs as well as for the requirements of foreign countries In any case, all purchases would be made according to an agreed program, and the administering agency would control the use of the funds appropriated by Congress In addition to purchases in the Western Hemisphere, there are special instances where it may be in our interest to procure certain essential products in one participating country for delivery to another, making payment in dollars For example, we might buy steel or coal in one participating country for delivery to another The dollars which are received would then be used by the supplying country to pay for imports from the United States, thus reducing the need for direct expenditures by the United States for aid to the supplying country

MONETARY STABILIZATION

If the recovery program is to be successful, adequate measures for monetary stabilization must be taken promptly and with vigor by the European countries At the Paris meeting the 16 participating countries undertook "to apply any necessary measures leading to the rapid achievement of internal financial, monetary and economic stability while maintaining in each country a high level of employment" They have recognized that recovery is not possible as long as inflation continues, and unless production is increased The measures which should be taken must vary somewhat from country to country, but the general outline is clear Budgets should be brought into balance rapidly, so that the necessary expenses of government can be met without increasing the public debt and without increasing direct inflationary pressures In most countries modifications in tax structures and control of expenditures will be needed As determined steps are taken, the trend toward budgetary balances, increased production, and steadying prices will all interact upon one another to facilitate stabilization

BILATERAL AGREEMENTS

The administration proposes that each country receiving aid from the United States shall enter into a separate agreement with this Government, which will cover the terms on which aid will be given The European signatories will undertake to adopt the financial and monetary measures which are necessary to stabilize their currencies and to maintain and establish proper rates of exchange These agreements will also cover such matters as cooperation with other countries, the proper use of the goods supplied, and the establishment of a separate account for the local currency equivalent to the aid supplied in the form of grants Moreover, each country would agree to supply the United States Government with full information about any pertinent aspect of the recovery program and to give a report on the program to its own people On the basis of the information which the cooperating countries will give us, and also from the reports of our own missions in these countries, we can be informed about the situation and so be in a position to discuss with the country the measures which it has taken, or ought to take, to contribute to the recovery of Europe and its own stability

LOCAL CURRENCY EQUIVALENT OF GRANTS

We have a direct interest in assuring that the aid we provide to Europe makes a maximum contribution to the reduction of inflationary pressures and the restoration of stability To this end we propose that each participating country will deposit in a special account the local currency equivalent at an agreed rate of exchange to the dollar cost to this Government of the goods supplied through grants-in-aid These accounts should be drawn upon only for constructive, stabilizing purposes In many instances it will probably be best either to let the accounts remain idle or to authorize the use of this local currency to effect a net reduction in the government's debt There may be instances, however, in which it might also be used for reconstruction or development, or other purposes which would contribute to the increase of production in the country In the view of the National Advisory Council, such expenditure should be undertaken only in agreement with this Government

I wish to make it clear that the National Advisory Council, in considering the financial measures which the European countries should take, had very much in mind the necessity of preserving the spirit of free and friendly cooperation between this Government and the European governments I am sure this country does not wish to dictate to these friendly countries either the particular measures they should take, or the exact manner in which they should be taken

EXCHANGE RATES

The adjustment of some exchange rates may be expected in the course of European recovery Inflation in Europe in certain instances has given rise to exchange rates which result in an overvaluation of the currencies in relation to the dollar This state of affairs has tended to hinder the exports of such countries and, at the same time, to make imports relatively cheap in terms of local currency In some cases countries have resorted to export subsidies, by means of special exchange rates or have used other measures in conflict with our own long-range international economic program

The determination of an appropriate exchange rate is a very complex matter, involving the widest range considerations relating to prices, costs, and balances of payments The difficulties in setting exchange rates under present conditions are such that, although the rates of some of the participating countries will

certainly have to be adjusted, the timing of these adjustments will vary from country to country Accordingly, it would not be good policy for us to insist upon an across-the-board modification of exchange rates before we extend aid The revision of rates of individual countries should instead be considered as a part of a developing program of internal and external stabilization in conjunction with United States assistance To insure that these revisions will be undertaken where necessary, the recipient countries will be asked to agree that when, in the opinion of the United States Government, their exchange rates are imposing an unjustifiable burden on their balances of payments, they will consult with the International Monetary Fund about revision Countries which are not members of the Fund would be expected to consult directly with the United States Government The National Advisory Council is making continual studies of the exchange rate problem and is the agency directed by Congress to coordinate policy in this matter

STABILIZATION LOANS

After progress has been made toward internal stabilization in the European countries by balancing budgets, increasing production, and expanding trade, the time will arrive when it may be appropriate to make stabilization loans which would give greater assurance to the people of the participating countries that the stabilization will be permanent There is greater confidence in the stability of money if there is gold or dollars in the hands of the central bank At the appropriate point in the program it would be well worth while to give countries this additional assurance by extending a loan to provide monetary reserves If the loan is given prematurely, the reserves might be dissipated through balance-of-payments deficits A stabilization loan to be effective should come when there is reasonable assurance that the internal situation of the country concerned is satisfactory, and that it will be able to maintain its exchange rate at a stable level for a considerable period of time It is not likely that this situation will be reached immediately, but it is possible that in the course of 1948, and probably in 1949, some countries will be in a position to use stabilization loans effectively At the appropriate time Congress may then be requested to appropriate additional funds to be used by the United States Stabilization Fund to make these loans

FINANCIAL REQUIREMENTS

Before I conclude my remarks on this phase of the European Recovery Program, I should like to comment briefly on the amount needed to carry it out The President has recommended that $6,800,000,000 be appropriated to support the program during the 15 months ending June 30, 1949 The National Advisory Council has carefully reviewed the procedures which have been used by the interdepartmental committees of experts in arriving at this figure These procedures involved a critical examination of European needs and of availabilities in the United States and in other major supplying areas, and careful estimates of European dollar income and resources The National Advisory Council believes that this approach is sound and has concluded that the recommended amount is needed to achieve the objectives of the program

Finally, I should like to make a brief comment concerning the financing of the program It would serve no good purpose to ask the European countries to put their own houses in order if we, ourselves, adopted methods which might accentuate inflation in the United States or upset our own economic stability It is my firm opinion that we should finance the European Recovery Program within a balanced budget I am confident that, so long as we pursue a sound fiscal policy, we shall be able to cover the cost of the European Recovery Program out of current revenues

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TAXATION DEVELOPMENTS

Exhibit 27.—Statement of Secretary of the Treasury Snyder before the House Ways and Means Committee, January 16, 1948, on H R 4790, a bill to reduce individual income tax payments

I am glad to have this opportunity to appear before the Ways and Means Committee to discuss the issues raised by H R 4790

I am sure that this committee fully appreciates the great responsibilities I have as Secretary of the Treasury in pursuing a sound fiscal policy The financial integrity of our Government must always be my first consideration Its founda-

tion must rest upon a revenue system that will provide the cost of maintaining Government and financing its necessary functions, with provision for funds to manage, service, and reduce the national debt

I can make no other approach to our tax problems than through a realistic appraisal of the hard facts of the current situation It is not a question of what we would like to have at the moment, but what in the long run is in the national interest Nor is it a matter of what would be desirable and proper under different circumstances but what is the proper action to take under the conditions which now prevail

The cold facts are that present economic conditions, budgetary considerations, inflationary pressures, and debt management problems require the maintenance of Government revenues at present level

It is from these viewpoints that I wish to discuss the issues raised by H R 4790

This bill would reduce individual income tax liabilities by $6 2 billion for a full year of operation In addition, estate and gift tax liabilities under the provisions at present in the bill would be reduced by $60 million If this bill were to be enacted, effective for calendar year 1948 incomes and withholdings at the lower rates were to start April 1, the surplus of $7 5 billion estimated in the President's budget for the fiscal year 1948 would be reduced by $1 1 billion But in the fiscal year 1949 receipts would decrease $6 5 billion and refunds would increase $0 4 billion The estimated surplus of $4 8 billion in fiscal 1949 would be converted into a deficit of $2 1 billion, thereby increasing the public debt

Under current conditions, it is my firm conviction that a tax reduction of the magnitude involved in H R 4790 would constitute a major threat to the Nation's financial integrity and economic stability I cannot conceive of any considerations under existing conditions that would justify a tax policy or program that would fail to balance the budget in the fiscal year 1949 and also make provision for the adequate retirement of the public debt

Our progress in debt retirement since the peak of $279 8 billion, which was reached on February 28, 1946, to the present level of $257 billion has been effected largely by drawing down the large Treasury cash balances from a wartime to a peacetime level Only in this last fiscal year of 1947 were we able to make a substantial reduction from surplus tax revenues We have now reached a position where the anticipated surplus for fiscal year 1948 will make possible a substantial debt reduction which provides one of the most effective anti-inflationary weapons possessed by the Government

Treasury debt retirement and debt management policies have been continuously directed against the inflationary monetary pressures Not only are we able to follow the sound principle of reducing the public debt during a period of prosperity in order to maintain financial integrity, but at the same time we are able to maintain a wholesome pressure against inflation

The gross public debt has been reduced by over $23 billion since its peak was reached in February 1946 Not only has this entire amount been taken out of the debt held by the banks, commercial banks and the Federal Reserve Banks, but through the sale of Government securities to nonbank holders, including individuals and trusts, an additional $2 billion has been moved out of the banking system

The effect of the reduction of commercial-bank-held Government securities is to reduce bank deposits and the money supply I need not point out to this committee the importance to our economy to continue this effective program

It is clear that the present inflationary pressures in our economy require that the revenue loss resulting from any tax adjustments should be offset by upward revisions in other taxes There must be no reduction in aggregate revenue In view of my responsibilities for the sound management of the Federal finances, I cannot endorse a bill which would reduce revenues when income and employment are at peak levels and which would result in a deficit in fiscal year 1949]

ECONOMIC CONDITIONS

Last spring, when your committee was considering H R 1, a bill which would have reduced our tax revenues very substantially, it was urged that such a reduction was necessary to forestall a decline in production and business activity Subsequent developments have shown that this apprehension was not well-founded

Since the President's veto of H R 1, national income, production, and employment have all made new record peacetime highs Inflationary pressures have also

continued strong Production has continued virtually at capacity levels, and there is every reason to believe that if a tax reduction bill had been enacted over the President's veto, the result would have been, not more production, but even higher prices

The same considerations which impelled the President to veto H R 1—and also to veto its successor bill, H R 3950—are controlling today As the President said in his veto message on H R 1

"Ample evidence points to the continuation of inflationary pressures Tax reduction now would increase them"

This has proved to be a sound conclusion

THE NEED FOR A TAX ADJUSTMENT

From June 1946 to November 1947, consumer food prices rose 39 percent, all consumer prices rose 24 percent (See table B, p 314, in statement submitted to Senate Committee on Finance)

The high cost of living has brought real hardship to many families with low incomes Price increases have made Federal taxes unduly burdensome for these taxpayers It is for this reason that the President has recommended a cost-of-living adjustment in the individual income tax

The President's suggested adjustment is in the form of a tax credit of $40 per capita Its effect is to increase the exemptions from $500 to a little over $700 per capita at the bottom of the income scale and by amounts which gradually decrease for taxpayers in the higher brackets, where there is less pressing need for a cost-of-living adjustment It is estimated that this would drop 10 3 million taxpayers with the lowest incomes from the income tax rolls It would cost $3 2 billion of revenue in a full year Ninety-three percent of this relief would go to taxpayers with net incomes under $5,000 (See table J, p 319)

As the President recommended, the revenue loss resulting from the cost-of-living adjustment should be made up by increasing the tax on corporate profits Taxes on corporations have been considerably reduced since the war years The corporation excess profits tax was repealed, as was the declared-value capital stock tax The corporation income tax was reduced Since that time and under the inflationary conditions which have persisted, many corporations now realize profits greatly in excess of those ever realized in a stabilized peacetime economy Under existing conditions, the fairest way of levying a tax on corporate profits which the President recommended would be to reenact the excess profits tax, with a few modifications The small corporations should be exempted by providing a specific exemption of $50,000 of excess profits for all corporations The rate should be reduced from the 85 5 percent in effect for 1945 to 75 percent and the standards for normal profits—both the average earnings and invested capital credits—should be raised by 35 percent With these modifications the tax would still yield the $3 2 billion needed to offset the revenue loss resulting from the individual income tax cost-of-living adjustment The tax would apply only to 22,000 corporations with the largest excess profits, out of a total of 360,000 taxable corporations The imposition of a corporate excess profits tax to compensate in revenue for the cost-of-living tax adjustment is the most equitable way of maintaining the Federal revenues at their present strength and with the least adverse effect on our economy

Under the President's proposal, we will maintain a balanced budget, including provision for the Marshall plan, and make substantial payments on our public debt His proposal makes only a temporary change in our tax system leaving basic structural changes to a more appropriate time when our entire tax structure can be revised on an equitable basis

COMMENTS ON H R 4790

I turn now to specific comments on H R 4790 I have appended to my statement a number of statistical tables to aid the committee in its consideration of the bill (Tables omitted See tables in statement submitted to Senate Committee on Finance, pp 314 to 325)

H R 4790 includes the following tax reducing provisions An increase in the per capita exemption from $500 to $600, resulting in a revenue loss of $1,744 7 million, a special additional exemption of $600 to all persons 65 years of age and over, resulting in a revenue loss of $268 2 million, a special exemption of $600 for

the blind to replace the present deduction of $500, resulting in a revenue loss of $300,000, the equal division of incomes of husbands and wives for tax purposes resulting in a revenue loss of $803 5 million, an increase in the standard deduction for single persons and married couples filing joint returns with adjusted gross incomes of over $5,000, resulting in a revenue loss of $93 8 million, a reduction in tax rates ranging from 30 percent for taxpayers with net incomes after exemptions of $1,000 or less to 10 percent for amounts of net income after exemptions in excess of $4,000, resulting in a revenue loss of $3,334 4 million, and repeal of the 1942 amendments relating to the estate and gift taxes as they apply in community-property States, resulting in a revenue loss of $60 million The total revenue loss from the reduction of both income and estate tax would be $6,305 million in a full year

The revenue loss from all the individual income tax provisions amounts to $6 2 billion for a full year The estimates of revenue loss from each of the individual income tax changes are given by net income tax classes in table L, p 321

Under present law there would be 52 1 million income taxpayers in 1948 The bill would remove 6 3 million from the tax rolls Of the total number dropped, the $100 increase in the per capita exemption accounts for 5 3 million and the special exemptions for the aged and the blind for 1 million

INCREASE IN EXEMPTIONS

The individual income tax exemptions were lowered several times during the period after 1939 to increase the Federal revenues in support of the defense and war effort Millions of individuals were added to the tax rolls, the number of taxable returns increasing from 4 million in 1939 to almost 43 million in 1945 (See table R, p 325)

The first postwar change in exemptions was made effective in 1946 by the Revenue Act of 1945 The normal tax exemption of $500 was revised to take into account marital and dependency status This was done by making the $500 per capita system which since 1944 was applicable only to the surtax also applicable to the normal tax

The present exemptions which had their origin in the wartime emergency would be too low under peacetime conditions even if there had been no price increases However, consumer prices increased 31 percent from 1944 to November 1947 alone

For these reasons the President on several occasions has stated that the millions of taxpayers with low incomes should have high priority for relief from their wartime tax burdens It is for these reasons that he has recommended in his State of the Union Message the tax credit of $40 per capita as a cost-of-living adjustment Although the economic and budgetary situation does not permit a reduction in total taxes, the Federal tax system should, nonetheless, be adjusted in a manner which would bring relief to the millions of hard-pressed taxpayers with the lowest incomes This can best be done under the President's recommended taxpayer credit which would completely relieve 10 3 million low-income taxpayers from income tax this year

H R 4790 would increase the exemptions from $500 to $600 per capita This increase is inadequate in the light of the very substantial increase in the cost of living

INCOME SPLITTING

The bill contains a provision which would permit married couples filing joint returns to divide their combined incomes equally between them in computing their income taxes This is designed to eliminate a long-standing tax discrimination against married couples residing in noncommunity-property States I do not question the importance of the problem to which this provision is addressed because several common-law States have, in recent years, adopted community property laws designed primarily to give their residents the tax advantages previously enjoyed only in the original community-property States The subject is one which should be given a high priority among the structural changes in the Federal tax system I believe, however, that it would be unwise to make this or any other major structural change in the current situation which would result in a substantial revenue loss As previously indicated, splitting the incomes of husbands and wives would result in a loss of $803 5 million, 97 5 percent of which would go to individuals with net incomes in excess of $5,000

RATE REDUCTIONS

H R 4790 would make a substantial reduction in individual income tax rates It would reduce the normal tax and surtax rates by 30 percent for taxpayers whose net incomes after personal exemptions are $1,000 or less, and by percentages ranging from 30 to 20 in the notch area between $1,000 and $1,400 For net incomes after exemptions between $1,400 and $4,000, the reduction would be 20 percent For amounts of income in excess of $4,000, the reduction would be 10 percent The effect of these rate changes on the combined normal tax and surtax bracket rates is shown in table M, p 322

Under this bill 23 7 million taxpayers would get a 30 percent rate reduction, 7 9 million would get a rate reduction ranging from 30 to 20 percent, 12 5 million taxpayers would get a 20 percent reduction The remaining 1 7 million would get reductions ranging from 20 percent down to approximately 10 percent (See table N, p 322)

As I have already stated, any tax adjustment at this time should be concentrated at the bottom of the income scale The most efficient way of doing this is through the cost-of-living tax adjustment credit recommended by the President I cannot endorse any general reductions in tax rates under present circumstances As soon as the inflationary forces have been checked, as I have previously said, it will be proper to fit rate reductions into a well-balanced tax revision program designed to maintain incentives and broad consumer markets

EXEMPTIONS FOR THE AGED AND THE BLIND

The bill provides an additional $600 exemption for persons over 65 years of age It also provides a similar exemption for the blind The exemption for the blind is not a new feature of the tax law It merely makes a technical revision of the present allowance and increases the amount by $100 These as well as other low-income groups and disabled persons have been hard-pressed by rising prices and the high cost of living It is my view that the cost-of-living adjustment recommended by the President is the most equitable way of providing tax relief for the aged, the disabled, and low-income taxpayers generally

INCREASE IN THE STANDARD DEDUCTION

H R 4790 would increase the standard deduction for single persons and married couples filing joint returns if they have incomes above $5,000 The increase in the deduction is from $500 to 10 percent of adjusted gross income for those with incomes between $5,000 and $10,000 and $500 to $1,000 for those with incomes of $10,000 or more

The increase in the standard deduction for married taxpayers is apparently intended as a necessary part of the split-income provision It is designed to equalize the standard deduction allowed to residents of common-law States with that now allowed to residents of community-property States The increase in the standard deduction for single persons is not, however, related in any way to the split-income provision It would reduce the taxes of single persons with incomes in excess of $5,000 if they elected to use the standard deduction I can see no justification for this provision

REPEAL OF 1942 ESTATE AND GIFT TAX AMENDMENTS

The 1942 estate and gift tax amendments were in general designed to equalize the tax treatment of gifts and transfers of property at death in community-property and common law States The amendments have been tested in the Supreme Court and held to be constitutional H R 4790 would repeal these amendments and again give the residents of community-property States the benefits of splitting property for gift and estate tax purposes Moreover, it is my understanding that it is contemplated that the bill in later form will include a provision which would exempt transfers between husband and wife under the gift tax to the extent of 50 percent and completely exempt such transfers under the estate tax up to 50 percent of the net estate

If all married couples took full advantage of this provision, the combination of such estate and gift tax changes would involve a loss in revenue amounting to $245 million, or 30 percent of the yield of these taxes As I have already stated, this is not the proper time to make such major structural changes in the tax system involving a significant loss of revenue

THE PRESIDENT'S PROGRAM COMPARED WITH H R 4790

The benefits to individuals are distributed more equitably under the President's cost-of-living adjustment than under H R 4790 H R 4790 removes 6 3 million from the tax rolls The President's program removes 10 3 million In addition, taxes would be lower under the President's program for single persons with net incomes—before personal exemptions— up to $968, or gross incomes up to $1,050, for married persons with no dependents up to $1,937, or gross incomes up to $2,125, for married persons with two dependents up to $3,874, or gross incomes up to $4,300, et cetera Altogether, the President's program provides greater relief to 13 million taxpayers with the lowest incomes These are the taxpayers who are in the most urgent need of relief from the burdens of the present high cost of living

Under the President's individual income tax adjustment, of $3 2 billion, 93 percent would go to individuals with net incomes under $5,000 This compares with 66 3 percent under H R 4790

It is also true that H R 4790 reduces the taxes of individuals with net incomes in excess of $5,000 by $2 1 billion as against $0 2 billion under the President's recommendation It is clear that H R 4790 goes far beyond the requirements of a cost-of-living adjustment especially with respect to the $2 1 billion relief given to individuals with incomes in excess of $5,000

CONCLUSION

In the light of all the facts, the conclusion is inescapable I must oppose H R 4790 because it is neither in the interest of sound fiscal management of the Government nor in the public interest It is unbelievable that any tax proposal would be seriously promoted that would produce a budget deficit and an increase in the public debt of $2 1 billion in the fiscal year of 1949

I must repeat, that in the present circumstances, there should be no general tax reduction As the President has recommended, any revenue loss from tax adjustments to relieve taxpayers from the impact of high cost of living should be recouped by increasing the taxes on corporate profits

The tax system is being called upon to play a major role in this country's struggle against inflation We have preserved our financial strength Let us not undermine it at the critical time when it can serve us best

In his State of the Union Message, the President said

"When the present danger of inflation has passed we should consider tax reduction based upon a revision of our entire tax structure

"When we have conquered inflation, we shall be in a position to move forward toward our chosen goals"

On my appearance before this committee last year I indicated what I conceive to be our chosen goal in taxation It is the revision of the tax system on the basis of fundamental principles In that revision, we should seek to correct existing inequities I quote from my statement of last May

"I believe that a sound tax system should meet the following essential tests The tax system should produce adequate revenue It should be equitable in its treatment of different groups It should interfere as little as possible with incentives to work and to invest It should help maintain the broad consumer markets that are essential for high-level production and employment Taxes should be as simple to administer and as easy to comply with as possible While the tax system should be flexible and change with changing economic conditions, it should be possible to achieve this flexibility without frequent revisions of the basic tax structure A stable tax structure, with necessary flexibility confined largely to changes in tax rates and exemptions, will make it easier for business and Government to plan for the future"

I have a firm conviction that pursuing these principles we can together build a peacetime system of taxation that will play an important role in keeping this country prosperous

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Exhibit 28—Statement of Secretary of the Treasury Snyder submitted to the Senate Committee on Finance, March 1, 1948, on H R 4790, a bill to reduce individual income tax payments

I am glad to have an opportunity to present to this committee my views on the House bill, H R 4790 I shall confine my remarks to the more important issues raised by the bill

The committee fully appreciates, I am sure, the compelling considerations which require me, as Secretary of the Treasury, to place the protection of the financial integrity of our Government above all other objectives A sound financial structure is the essential cornerstone of the Nation's economy Wise management of the Government's fiscal affairs will insure a continued contribution to lasting prosperity, to further industrial growth and expansion, and to higher standards of living This requires that in considering tax reduction and tax revision we never lose sight of the paramount importance of preserving the strength of the revenue system at a level adequate to finance necessary Government services and to provide funds for servicing and reducing the national debt

I want to stress the importance of gearing any tax bill to the needs of the Government's basic financial policy The Federal tax system must produce large amounts of revenue if essential domestic governmental services are to be maintained, the public debt reduced, our foreign commitments fulfilled Premature weakening of our revenue system will involve serious consequences both for our domestic prosperity and for the peace of the world

I recognize that postponement of tax reduction requires an unusual measure of self-denial Each of us would welcome relief from the high taxes necessitated by the cost of the war However, the financial consequences of the war are still with us In addition to the normal expenses of running the Government there are heavy demands on the budget for national defense, the care of veterans, the servicing of the war debt and the rehabilitation of war-torn countries

THE BUDGETARY SITUATION

The present tax system, in combination with high levels of employment and national income, resulted in a surplus of $754 million during the fiscal year ending June 30, 1947 In the current fiscal year the surplus will for the first time reach substantial proportions This affords an opportunity to make a significant reduction in our large public debt In his Budget Message, the President estimated that in fiscal year 1948 it will be possible to apply $7½ billion to debt reduction During the past 4 months, which included, of course, some of our best tax collection periods, we have used more than $4 billion of the surplus to apply to debt reduction This debt reduction would have been impossible had tax reduction proposed in H R 1 become effective last year

For the fiscal year 1949, the anticipated decline in nontax receipts, coupled with the increased expenditures projected in the President's budget will reduce the surplus available for debt reduction in that year to $4 8 billion (Table A, p 314) I believe that this amount of debt reduction is desirable under present conditions of full employment and general prosperity We must ever bear in mind the fact that the public debt of this country is in excess of $250 billion If we continue to make the very best use of our opportunities, it will still take many years to make an appreciable dent in the size of the public debt We must make sizable payments on the debt in good years for we know that there may be years in the future when no payments can be made

A COST-OF-LIVING TAX ADJUSTMENT

Under current economic conditions it is essential to maintain the present level of Government receipts This, however, does not preclude some readjustment in the distribution of the tax load On the contrary, the persistence of high prices makes some readjustment imperative During the second half of 1947 wholesale prices rose at an annual rate of 21 percent and consumers' prices, 13 percent By the first of this year, wholesale prices were 45 percent and consumers' prices 25 percent higher than in June 1946 (Table B, p 314)

Although the Nation is operating at peak levels and the country is enjoying higher standards of living than ever before, some groups in the population are suffering real hardship These include not only families with relatively small fixed incomes but also others whose incomes have not kept pace with the increase in the cost of living The problem, of course, is most serious for those in the lower-income groups who have no appreciable savings to fall back on as a cushion against high prices

Estimates of what people spend in relation to their incomes graphically illustrate the hardship suffered by low-income groups It has been estimated that in 1946 about a third of the families with incomes below $3,000 spent more than their income (Table C, p 315) They financed consumption by dissipating accumulated savings and by going into debt Under present conditions the taxes

paid by the lowest-income groups reduce the already inadequate incomes available for minimum living standards Tax reduction alone cannot provide adequate relief to this group But the right kind of tax adjustment can make some contribution to the relief of the plight of low-income people Since fiscal and economic considerations preclude any reduction in the over-all strength of our tax system, relief to this group should be provided by appropriate increases in other taxes

The President recognized that inflation has brought real hardship to millions of families with low incomes and recommended a cost-of-living adjustment in the form of a tax credit of $40 per capita He recommended also that the revenue loss resulting from this adjustment should be made up by increasing the tax on corporate profits As I indicated in my statement before the Ways and Means Committee

"Under existing conditions, the fairest way of levying a tax on corporate profits which the President recommended would be to reenact the excess profits tax, with a few modifications The small corporations should be exempted by providing a specific exemption of $50,000 of excess profits for all corporations The rate should be reduced from the 85 5 percent in effect for 1945 to 75 percent and the standards for normal profits, both the average earnings and invested capital credits, should be raised by 35 percent With these modifications the tax would still yield the $3 2 billion needed to offset the revenue loss resulting from the individual income tax cost-of-living adjustment The tax would apply only to 22,000 corporations with the largest excess profits, out of a total of 360,000 taxable corporations The imposition of a corporate excess profits tax to compensate in revenue for the cost-of-living tax adjustment is the most equitable way of maintaining the Federal revenues at their present strength and with the least adverse effect on our economy"

We cannot escape the obligation to find a source of replacement revenue to compensate for that lost by providing tax relief to low-income groups The President's program accomplishes this through the excess profits tax In view of the record earnings of some corporations, this appears to be a sound solution both on equity and economic grounds I do not know of any other course of replacement revenue that measures up to the required tests

COMMENT ON H R 4790

I now turn to an examination of the principal provisions of H R 4790 These provisions can be briefly stated

The bill would increase personal exemptions from $500 to $600, would permit husbands and wives to divide their incomes equally for tax purposes, and would reduce tax rates by percentages ranging from 30 percent for taxpayers with small incomes to 10 percent for those with large incomes In addition, the bill would grant a special $600 exemption, and would increase the standard deduction for single persons and married couples filing joint returns with adjusted gross incomes of over $5,000 The bill also would reduce estate and gift taxes For residents of community-property States the reduction would be achieved by restoring the law in effect prior to 1942 For residents of common-law States comparable reductions are achieved by permitting deductions for transfers of property between husbands and wives

To assist the members of the committee in their consideration of the bill, I have appended to my statement some statistical materials bearing on its provisions (Pp 314 to 325)

H R 4790 RESULTS IN EXCESSIVE REDUCTIONS AND A DEFICIT FOR FISCAL YEAR 1949

The bill would reduce individual income tax liabilities by an estimated $6 2 billion in a full year of operation, or by almost 30 percent of the $21 2 billion total individual income tax liability under present law (Tables K and L pp 320 and 321) In addition, estate and gift tax liabilities would be reduced by $250 million, which is also about 30 percent of the estimated $820 million estate and gift tax liabilities under present law

If H R 4790 were enacted the surplus of $7 5 billion estimated in the President's budget for the fiscal year 1948 would be reduced by $1 1 billion In the fiscal year 1949 receipts would be decreased by $6 6 billion and refunds increased by $400 million This would convert the estimated surplus of $4 8 billion in fiscal year 1949 into a deficit of $2 2 billion, necessitating an increase in the public debt (Table A, p 314)

None of the developments which have occurred since the transmission of the President's Budget Message, either those in the field of domestic prices or those in the field of international affairs, or otherwise, warrant changing the President's estimates of either receipts or expenditures to show a more favorable budget picture No one can say with certainty what any future level of income will be With relatively full employment and with our present production facilities running at virtual capacity, it would not seem prudent to predicate estimates of receipts on a level of personal income higher than the $200 billion level of personal income utilized in preparing the estimates contained in the President's Budget Message The level of personal income in calendar year 1947 was $197 billion

Members of this committee will undoubtedly agree that there can be no justification for a tax program which would prevent adequate provision for a substantial retirement of the public debt in fiscal year 1949 This alone is sufficient reason for rejecting H R 4790

H R 4790 WOULD NOT INCREASE CURRENT PRODUCTION

The proponents of H R 4790 claim that it would, by providing substantial individual income tax reduction, overcome capital shortages and improve business incentives I would be the first to recommend tax incentives if there were a present need to accelerate capital expansion The fact is, however, that capital formation is at a high level and the number of businesses is increasing In 1947, gross private domestic investment accounted for $27 8 billion or 12 1 percent of the gross national product This rate of investment compares with an average of 11 5 percent for the interwar period from 1919 to 1941 Outlays for producers' durable equipment accounted for almost 8 percent of the gross national product in 1947, a record rate, even including the 1920's (Tables D and E, pp 315 and 316) Moreover, the number of businesses has continued to increase since the low point reached during the war By the end of 1947 they totaled almost 3,900,000 compared with the prewar peak of 3,400,000 and the wartime low of 2,800,000 (Table F, p 316) These figures suggest that under current conditions there is no lack of business incentives

There are times when tax incentives can play an important role in stimulating production This fact should be recognized in the revision of the tax system for peacetime needs Its potentialities should not be dissipated by poor timing Today tax reduction is almost certain to raise prices by increasing consumer and investor competition for the limited supplies, it holds little promise of increasing production above the 1948 goals set in the President's Economic Report

H R 4790 GIVES INADEQUATE TAX RELIEF FOR THE LOWEST-INCOME TAXPAYERS THE RELIEF IS INEQUITABLY DISTRIBUTED

Another argument advanced in support of H R 4790 is that it gives adequate and correctly distributed relief Under this bill, personal exemptions are increased by $100 to compensate for a calculated $100 decline in the purchasing power of the average income after taxes during the past 2 years

These calculations do not provide an adequate measure of the need for tax relief in the lower-income groups Under the stress of war needs, personal exemptions were reduced to emergency levels It was then recognized that the $500 per capita exemption system would endanger the health and living standards of large segments of the population if retained for many years Fiscal and economic considerations do not yet permit exemptions to be raised to a level compatible with long-term living standards, just as they preclude general tax reduction at this time The national interest nonetheless requires sufficient immediate relief for those in greatest need to help tide them over this difficult period In this respect H R 4790 stands in sharp contrast with the President's cost-of-living adjustment plan (Tables G, H, and I, pp 317 and 318)

H R 4790 would exempt 6 3 million from income taxation in comparison with the 10 3 million exempted under the President's program Moreover 13 million additional taxpayers with the lowest income would receive more tax reduction under the President's program than under H R 4790 These are the groups most urgently in need of relief from the high cost of living

Under the President's program, 93 percent of the income tax reduction would go to individuals with net incomes under $5,000 This compares with 66 3 percent under H R 4790 (Tables J ,K, and L, pp 319 to 321)

The pending bill would reduce the taxes of those with net incomes in excess of $5,000 by $2 1 billion as against $225 million under the President's plan It is my belief that we cannot go beyond a cost-of-living adjustment at this time

The $2 1 billion tax reduction provided high-income taxpayers under H R 4790 goes far beyond this requirement

The pending bill would also provide additional relief to the aged and the blind in the form of special exemptions These and other low-income groups and disabled persons are hard-pressed by high prices The cost-of-living adjustment recommended by the President is the most equitable way of providing tax relief to all these groups

H R 4790 EQUALIZES INCOME TAXES IN COMMUNITY-PROPERTY AND COMMON-LAW STATES AT THE COST OF SUBSTANTIAL REVENUE BUT DOES NOT EQUALIZE ESTATE AND GIFT TAXES

The bill under consideration contains proposals designed to equalize income, estate, and gift tax liabilities among taxpayers in community-property and common-law States

With reference to the personal income tax, the bill contains a provision which would permit married couples filing joint returns to divide their combined incomes equally in computing their income taxes This is designed to eliminate a long-standing tax discrimination against married couples residing in noncommunity-property States

This provision is addressed to a problem which has acquired importance in recent years Several common-law States have adopted community-property laws designed primarily to give their residents tax advantages previously enjoyed only in the original community-property States As you know, I believe that this subject should be given a high priority among the structural changes in the Federal tax system In the current situation, however, it would be unwise to make this or other major structural changes which would result in substantial revenue losses Splitting the incomes of husbands and wives would result in a loss of $803 5 million, 97 5 percent of which would go to individuals with net incomes in excess of $5,000 (Table L, p 321)

With reference to the estate and gift taxes, the bill would repeal the 1942 estate and gift tax community-property amendments This would decrease the liabilities of married residents of those States by a relatively substantial amount However, it is also proposed to provide similar relief for residents of common-law States, by amendments which it is hoped will produce relatively equal treatment with community-property States

Prior to 1942, residents of community-property States paid relatively less estate and gift taxes than residents of other States The 1942 act, in recognition of fundamental similarities in the family ownership of property in all the States, sought to correct this discriminating situation by equalizing the effects of the law under the different concepts of property ownership It increased the transfer tax liabilities of community-property residents to approximately the level paid by residents of other States and generally succeeded in equalizing transfer tax liabilities among residents of all States

This bill would replace the plan adopted in 1942 with a system which is apparently intended to establish equality by reducing the transfer tax liabilities of all persons to the level paid by community-property residents before 1942 It is my view that there is no valid basis for this change While some differences in the impact of transfer taxes on residents of different States remain, these do not appear to be of major significance However, they could be further narrowed by relatively simple amendments within the framework of the present structure The proposal, on the other hand, would create new areas of inequality and administrative problems that outweigh those remaining under present law

The estate and gift tax provision, it has been said, is related to the split-income plan considered for purposes of income taxation Any such relationship, if it exists at all, is superficial The problems are not analogous or comparable

In the income tax field, residents of community-property and common-law States are not treated equally The income-splitting plan is designed to remedy this situation by providing a single system of taxation applicable to all married residents of every State without exception Moreover, it is also intended to go beyond removing the discrimination between community-property and common-law States by equalizing the now unequal tax treatment of family income from earnings and investments in all States

An entirely different situation prevails in the estate and gift tax field Present law already achieves substantial equality of treatment between common-law and community-property States

This bill would reduce the revenue yield of the estate and gift taxes by as much

as $250 million Economic and fiscal requirements compel us to postpone urgently needed reductions in many sectors of our tax system It is also necessary to require a large segment of the population to bear tax burdens which impinge upon their living standards Under these conditions the transfer tax provisions of H R 4790 conflict with fairness and sound fiscal policy Any structural revision in the system to remove inequities should be accomplished in a way calculated not to weaken or further complicate the transfer taxes

In view of the technical complexity of the estate and gift tax provision of H R 4790, I am submitting for the use of the committee a memorandum discussing the problems involved in greater detail (Pp 310 to 313)

H R 4790 WOULD PREJUDICE MUCH NEEDED TAX REVISION

It is clear that many of the tax revisions required to modernize the American tax system will result in a reduction of revenue If the revenue system is prematurely weakened, our opportunities to improve it would be dissipated

In his State of the Union Message, the President said

"When the present danger of inflation has passed, we should consider tax reduction based upon a revision of our entire tax structure "

On several occasions I have outlined the basic principles of taxation as follows

"I believe that a sound tax system should meet the following essential tests The tax system should produce adequate revenue It should be equitable in its treatment of different groups It should interfere as little as possible with incentives to work and to invest It should help maintain the broad consumer markets that are essential for high-level production and employment Taxes should be as simple to administer and as easy to comply with as possible While the tax system should be flexible and change with changing economic conditions, it should be possible to achieve this flexibility without frequent revisions of the basic tax structure A stable tax structure, with necessary flexibility confined largely to changes in tax rates and exemptions, will make it easier for business and Government to plan for the future "

While we cannot safely undertake this year the basic structural changes that will ultimately be desirable due to the large losses in revenue that are entailed, we can adopt many technical revisions which would move in the direction of an improved tax system I urge upon the committee the desirability of undertaking the steps necessary to make such administrative and technical revisions as will clarify present tax laws and correct some of the existing inequities without any substantial loss of revenue This can and should be done at an early date Specific proposals along these lines have already been submitted by the Treasury Department to the House Committee on Ways and Means

CONCLUSION

I am confident that sound tax policy can contribute in an important measure to the continued prosperity of this country I am also confident that your committee will give full consideration to the financial requirements and obligations of this Government These considerations counsel against the adoption of H R 4790

ANALYSIS OF THE ESTATE AND GIFT TAX PROVISIONS OF H R 4790

Enactment of the estate and gift tax provisions of H R 4790 would be undesirable Apart from causing unjustified revenue losses (involving a large portion of the total revenues from these taxes), these provisions would not establish the equality of transfer tax treatment of community property and noncommunity property which is said to justify the revenue loss, they would open the door to tax avoidance, they would create new administrative problems and complexities, and they would lead to disruption and distortion of well-established methods of property disposition in common-law States Moreover, these amendments are not required as the counterpart of the proposed income-splitting provisions for husbands and wives under the income tax The following discussion will amplify these objections

DISCRIMINATION

It is the principal purpose of the estate and gift tax amendments in the bill to restore the pre-1942 treatment of community property under which each spouse is recognized as owning one-half of the community property regardless of

its source Since mere repeal of the 1942 amendments governing the estate and gift tax treatment of community property would revive the former discrimination existing in favor of such property and against noncommunity property, the highly complicated provisions of sections 361 and 372 of the bill have been added in an attempt to provide equality of treatment for both types of property, i e, it is intended to permit husbands and wives in common-law States to divide their property equally with equivalent estate and gift tax results To accomplish this, section 361 provides, in general, that there may be deducted from the gross estate of a deceased spouse the value of certain interests in property passing to the surviving spouse, but not to exceed one-half of the gross estate reduced by claims and similar deductions Where, however, the estate of a spouse includes only his one-half interest in community property, no marital deduction would be allowed Section 372 of the bill provides what is intended to be comparable gift tax treatment

An analysis of these sections of the bill reveals that they not only fail to bring about equality of treatment, but in fact produce inequalities not present under existing law Thus, where in a common-law State the estates of husband and wife are substantially equal and one dies leaving his property to the survivor, an estate tax would, by reason of the marital deduction, be payable on only one-quarter of the family wealth, i e, on one-half of the decedent's half However, in the corresponding situation in which the family wealth consists of community property earned by both spouses, an estate tax would be payable on the death of the first spouse to die with respect to one-half of the family wealth Under these circumstances, a similar discrimination would result as to gifts made by one spouse to the other by reason of the gift tax marital deduction This discrimination under both the estate and gift taxes is inherent in the approach to equalization set forth in the bill

To take another example, a husband in New York who has earned all the family wealth may give half to his wife by gift, and, under the bill, pay gift tax on one-quarter At death, he may leave his remaining half to the wife and pay estate tax on one-quarter A husband in the same situation in Texas would pay no gift tax but would pay an estate tax on one-half at death The sum of the gift tax on one-quarter and the estate tax on one-quarter in the case of the New York husband would be less than the estate tax on one-half in the Texas case, because of the lower brackets, lower gift tax rates and two sets of exemptions Thus, in this type of situation, community property would be discriminated against, there would continue to be inequality of treatment On the other hand, where the New York husband gives one-half the family property to his wife during life, and the remaining half to his children at death, he would pay a gift tax on one-quarter and an estate tax on one-half of the property The total taxes paid by the New York husband would exceed the estate tax payable by the Texas husband who left his half of the community property to his children and who was not required to pay gift tax on the half acquired by his wife by operation of law In this case, the discrimination would run in the opposite direction, i e, against common law property

Discrimination may also occur where the wife dies first If the wife in Texas leaves to her surviving husband her half interest in community property earned solely by the husband, she would pay an estate tax on such half and the husband, at his death, would pay estate tax on the entire property The New York wife would pay no tax at her death, an estate tax on the whole estate being payable upon the husband's subsequent death In this situation, the total taxes paid by the spouses in Texas would be greater than the total taxes imposed with respect to the New York spouses' property Conversely, the Texas family would have the advantage if the wife left her half of the community property to the children In that case, the total taxes payable by the spouses owning community property would be an estate tax on the wife's half plus an estate tax on the husband's half, as compared with a tax, computed at higher progressive rates and with but a single exemption, on all the property of the New York husband

These examples serve to demonstrate that the estate and gift tax amendments in the bill will not produce equality in the transfer tax treatment of community and noncommunity property Furthermore, a comparison of the tax consequences under the bill with those of the present law shows that the bill will produce inequalities where they do not exist under the present law

EFFECT ON ESTATE PLANNING

The method by which equalization is sought is inherently defective because the amount of the proposed marital deduction would depend on the amount of property going from the New York decedent or donor to his spouse Thus, if only one-third of his property goes to his spouse, the amount of the deduction would be equal to the value of such one third In the case of community property, however, each spouse acquires title to one-half by operation of law Equality, therefore, would be obtained under the system of taxation proposed in the bill only in the event the deceased or donor gives his spouse one-half of his property Since it is a frequent practice in common law States for a wealthy husband to give his wife a life interest in his estate with remainders to his children or other beneficiaries, equality of treatment would be achieved only by interfering to a large extent with this long-established pattern of family dispositions No such criticism may properly be directed against the 1942 amendments

ESTATE AND GIFT TAX PROVISIONS NOT NECESSARY TO INCOME SPLITTING

The estate and gift tax treatment of community and noncommunity property provided in H R 4790 is not, as has been suggested, a proper adjunct of the income-splitting provisions of the bill The proposed system for income splitting by husbands and wives constitutes a single, Nation-wide plan for taxing income from all sources, whether derived from earnings or investments or from separate or community property Such a plan is not concerned with local rules of ownership of income Instead, it overrides such rules and sets forth a uniform concept for determining the tax on family income The estate and gift tax provisions of the bill, however, do not create a single, over-all plan for taxing transfers of family wealth On the contrary, the bill provides one method for taxing transfers of community property, based on the local rules of property ownership peculiar to such property, and another method for taxing noncommunity property, based on the local rules of property ownership peculiar to the latter property The bill disregards the fact that by according full recognition to the formal distinctions between the two systems of property ownership, disparities of tax treatment necessarily arise It then attempts, as a means of obtaining equality in the taxation of transfers of both types of property, to conform transfers of noncommunity property to the pattern of transfers peculiar to the community-property system, through the use of a marital deduction Equality of taxation cannot be successfully achieved through a hybrid tax system, such as that created by H R 4790, which implements rather than disregards the formalities and technicalities of local rules of property ownership

TERMINABLE INTERESTS

The hybrid plan for taxing transfers contained in the bill is fundamentally defective in another important respect Sections 361 and 372 disallow a marital deduction with respect to certain terminable interests in property passing to a surviving spouse, or transferred by gift Typical examples of terminable interests which are not deductible are life estates or annuities given to a spouse, where remainder interests pass to other beneficiaries Thus, where a decedent leaves property in trust, providing for the payment of the income from the trust to his wife for life with remainder to his children, no marital deduction may be taken The apparent purpose of this rule is to insure that all the property of the family is included in either the estate of the husband or of the wife

The difficulty is that the husband may easily avoid this rule by use of other types of terminable interests which are deductible under the bill The bill permits the deduction of terminable interest purchased by the donor or decedent or by the executor at the direction of the decedent This creates a wide avenue for avoidance of tax upon either spouse Thus a person who wishes to provide a life income for his spouse with remainder to his children without losing the benefit of the marital deduction need only purchase, or direct his executor to purchase, a life annuity for his spouse with part of his estate and to hold the balance in trusts for the children The value of such annuity would be a marital deduction from the decedent's gross estate, and would not thereafter be includible in his spouse's gross estate The value of the annuity would thus completely escape taxation Tax could similarly be avoided in the case of other purchased terminable interests, such as leases and insurance proceeds payable in installments

On the other hand, if the marital deduction were not allowed as to any terminable interest, so that there would be deductible only such property transferred to a spouse as would be subject to transfer tax in her estate, a further large area of inequality of treatment as between common-law and community-property States would be created, in view of the fact that terminable interests may be held as community property. This dilemma appears to be inherent in the "equalization" plan of the bill. The 1942 amendments present no such problem.

TRACING OF PROPERTY

One of the chief arguments advanced by proponents of the repeal of the 1942 amendments governing community property is the supposed difficulty in some instances in tracing such property to its source. While the existing problem does not in fact appear to be serious, this bill itself substitutes some new tracing requirements.

Sections 361 and 372 of the bill properly provide that no marital deduction may be taken as to separate property which was at any time acquired in exchange for or through partition of community property. It is apparent that, under these provisions, it will frequently be necessary to trace separate property passing between spouses back to its original source. Accordingly, to the extent that the criticisms of the 1942 amendments based on tracing difficulties may be valid, H. R. 4790 is open to the same type of criticism.

BASIS

In addition to the difficulties in the estate and gift tax treatment of spouses, the plan incorporated in the bill also gives rise to income tax problems involving basis for gain or loss. Under existing law the basis of property acquired by a surviving wife by bequests, devise, or inheritance from her deceased husband would be its value at time of his death. The bill makes no change in the rule, even though the marital deduction taken by the husband results in exclusion of the property from his taxable estate. In the case of community property, however, the surviving wife's basis for her half of the community property would be its cost to the community, since such half was not acquired by bequest, devise, or inheritance. Where the property has appreciated in value this operates disadvantageously to community property.

In determining the appropriate policy respecting basis, consideration must be given to the relationship between noncommunity property qualifying for a marital deduction and the surviving spouse's interest in community property. The plan of estate taxation embodied in H. R. 4790 treats property passing to a surviving spouse and qualifying for a marital deduction as the equivalent of a surviving spouse's interest in community property. Accordingly, it may be presumed that similar basis treatment should be given to both types of property. Similar treatment, however, cannot be achieved if the estate tax plan of H. R. 4790 is not accompanied by a change in the present provisions of law governing basis. The bill fails to deal with this question.

If, in spite of their fundamental and serious defects, the estate and gift tax provisions of this bill should be enacted, it would appear that a satisfactory basis for determining gain or loss could only be established by eliminating entirely the provisions of existing law which permit the basis of inherited property to be determined by reference to the value of the property at the time of death. This type of treatment would provide equality for income tax purposes of both community and noncommunity property.

OTHER TECHNICAL DEFECTS

The bill in its present form does not deal with a number of troublesome technical problems which must be resolved and presumably will be by amendment. These involve matters relating to proper allowance of credit for gift tax in the case of property subject to the marital deduction, cases of disclaimers of legacies and other matters. However, even assuming that these problems are satisfactorily disposed of, it must be recognized that their solution will unquestionably lengthen and further complicate the estate and gift tax provisions of the bill which already are far more lengthy and complex than can be justified by the tax results they achieve.

TABLE A.—*Estimated effect of House bill (H. R. 4790) on budget receipts, expenditures, and surplus, fiscal years 1948 and 1949*

[In billion of dollars]

	Receipts	Expenditures	Surplus or deficit (—)
Fiscal year 1948:			
Present law [1]	45.2	37.7	7.5
House bill (H. R. 4790)	44.1	37.7	6.4
Decrease under House bill (H. R. 4790)	1.1		1.1
Fiscal year 1949:			
Present law [1]	44.5	39.7	4.8
House bill (H. R. 4790)	37.0	40.1	—2.2
Decrease under House bill (H. R. 4790)	6.6	[2] .4	7.0

SOURCE.—Estimates under present law are from the Budget of the United States Government for the fiscal year ending June 30, 1949.

[1] Internal Revenue Code, as amended by the Revenue Act of 1945.
[2] Represents increase resulting from larger individual income tax refunds under H. R. 4790.

TABLE B.—*Wholesale, retail, and consumers' price indexes, 1939 to date*

Year or month	Wholesale prices (1926=100)	Retail prices (1935-39=100)	Consumers' prices (1935-39=100) [1]		
			All items	Food	Clothing
Monthly average:					
1939	77.1	99.0	99.4	95.2	100.5
1940	78.6	100.6	100.2	96.6	101.7
1941	87.3	108.3	105.2	105.5	106.3
1942	98.8	124.0	116.5	123.9	124.2
1943	103.1	134.0	123.6	138.0	129.7
1944	104.0	137.6	125.5	136.1	138.8
1945	105.8	141.4	128.4	139.1	145.9
1946	121.1	155.0	139.3	159.6	160.2
1947	151.7	([2])	159.2	193.8	185.8
1946—January	107.1	143.1	129.9	141.0	149.7
February	107.7	142.0	129.6	139.6	150.5
March	108.9	143.7	130.2	140.1	153.1
April	110.2	144.8	131.1	141.7	154.5
May	111.0	145.7	131.7	142.6	155.7
June	112.9	147.7	133.3	145.6	157.2
July	124.7	156.3	141.2	165.7	158.7
August	129.1	159.8	144.1	171.2	161.2
September	124.0	164.3	145.9	174.1	165.9
October	134.1	167.2	148.6	180.0	168.1
November	139.7	171.5	152.2	187.7	171.0
December	140.9	172.7	153.3	185.9	176.5
1947—January	141.5	172.7	153.3	183.8	179.0
February	144.5	172.7	153.2	182.8	181.5
March	149.5	177.2	156.8	189.5	184.8
April	147.7	177.2	156.2	188.0	184.9
May	147.1	177.1	156.0	187.6	185.0
June	147.6	178.7	157.1	190.5	185.7
July	150.6	179.7	158.4	193.1	184.7
August	153.6	181.4	160.3	196.5	185.9
September	157.4	184.9	163.8	203.5	187.6
October	158.5	184.9	163.8	201.6	189.0
November	159.7	185.9	164.9	202.7	190.2
December	163.2	([2])	167.0	206.9	191.2
1948—January	165.6	([2])	168.8	209.7	192.1

SOURCE.—Wholesale and consumers' prices, U. S. Department of Labor; retail prices, U. S. Department of Commerce.

[1] For moderate-income families in large cities.
[2] Not available.

TABLE C —*Percentage distribution of positive and negative savers, by income groups of family units, 1946*

Incomo groups [1]	All family units	Positive savers [2]	Zero sav ers	Negative savers [3]
All family units [4]	100	66	7	27
Under $1,000	100	39	28	33
$1 000 to $1,999	100	57	10	33
$2 000 to $2 999	100	65	3	32
$3 000 to $3 999	100	75	2	23
$4,000 to $4 999	100	78	(5)	22
$5,000 to $7,499	100	81	1	18
$7 500 and above	100	88	(5)	12

SOURCE —"Survey of Consumer Finances, pt III Consumer Savings in 1946 and Ownership of Selected Nonliquid Assets,' Federal Reserve Bulletin August 1947 table 13 p 12

[1] Based on 1946 money income before taxes
[2] Family units with money incomes in excess of expenditures
[3] Family units with expenditures in excess of money incomes
[4] Includes families of one or more persons
[5] Less than one-half of 1 percent

TABLE D —*Gross national product and gross private domestic investment, 1929–47*

[In billions of dollars]

Year or quarter	Gross national product	Gross private domestic investment			
		Total	New con struction	Producers durable equipment	Changes in business inventories
1929	103 8	15 8	7 8	6 4	1 6
1930	90 9	10 2	5 6	4 9	— 3
1931	75 9	5 4	3 6	3 2	—1 4
1932	58 3	9	1 7	1 8	—2 6
1933	55 8	1 3	1 1	1 8	—1 6
1934	64 9	2 8	1 4	2 5	—1 1
1935	72 2	6 1	1 9	3 4	9
1936	82 5	8 3	2 8	4 5	1 0
1937	90 2	11 4	3 7	5 4	2 3
1938	84 7	6 3	3 3	4 6	—1 0
1939	90 4	9 0	4 6	4 6	4
1946	100 5	13 0	4 6	6 1	2 3
1941	125 3	17 2	5 7	7 7	3 9
1942	159 6	9 3	3 2	4 7	1 4
1943	192 6	4 6	2 0	3 8	—1 2
1944	216 0	5 7	2 3	5 3	—2 6
1045	213 1	9 1	3 1	7 1	—1 2
1946	203 7	24 6	8 5	12 1	3 7
1947	229 6	27 8	10 7	17 0	— 7
SEASONALLY ADJUSTED ANNUAL RATES					
1946					
I	191 7	18 6	7 2	9 1	2 3
II	197 0	22 3	8 7	11 5	2 6
III	207 5	27 0	8 9	13 2	4 9
IV	218 6	30 4	9 3	15 7	5 4
1947					
I	221 6	28 2	10 3	16 4	1 6
II	226 9	26 1	9 6	17 9	—1 4
III	229 4	27 0	10 4	18 4	—1 7
IV	240 9	29 9	12 4	18 8	—1 3

Source —U S Department of Commerce

NOTE —Figures are rounded and will not necessarily add to totals

TABLE E.—*Gross private domestic investment, total and major components as percentages of gross national product, 1919–47*

Year or quarter	Gross national product	Gross private domestic investment			
		Total	New construction	Producers durable equipment	Changes in business inventories
1919	100.0	15.3	4.8	6.4	4.1
1920	100.0	18.2	5.6	6.1	6.5
1921	100.0	10.6	6.0	4.6	
1922	100.0	12.9	7.8	4.4	.7
1923	100.0	10.9	8.4	5.4	3.1
1924	100.0	13.1	9.8	5.1	-1.3
1925	100.0	16.5	9.6	5.2	1.7
1926	100.0	10.7	9.7	5.5	1.5
1927	100.0	15.0	9.0	5.1	.8
1928	100.0	13.7	8.7	5.4	-.4
1929	100.0	15.1	7.5	6.1	1.5
1930	100.0	11.2	6.1	5.4	-.3
1931	100.0	7.0	4.7	4.2	-1.9
1932	100.0	1.5	2.9	3.1	-4.5
1933	100.0	2.8	2.0	3.2	-2.9
1934	100.0	4.3	2.2	3.8	-1.7
1935	100.0	8.6	2.0	4.7	1.3
1936	100.0	10.1	3.4	5.5	1.2
1937	100.0	12.6	4.1	6.0	2.5
1938	100.0	7.4	3.9	4.7	-1.2
1939	100.0	0.9	4.4	5.1	.4
1940	100.0	18.0	4.0	6.1	2.3
1941	100.0	13.7	4.5	6.1	3.1
1942	100.0	5.8	2.0	2.0	.0
1943	100.0	2.4	1.0	2.0	-.0
1944	100.0	2.7	1.1	2.5	-.9
1945	100.0	4.3	1.5	3.4	-.6
1946	100.0	12.1	4.2	6.1	1.8
1947	100.0	12.1	4.7	7.8	-.3
Annual average 1919–41	100.0	11.5	5.8	5.1	.7
SEASONALLY ADJUSTED ANNUAL RATES					
1946					
I	100.0	9.7	3.8	4.7	1.2
II	100.0	11.3	4.4	5.8	1.0
III	100.0	13.0	4.3	6.4	2.4
IV	100.0	13.9	4.3	7.2	2.5
1947					
I	100.0	12.8	4.7	7.4	.7
II	100.0	11.5	4.2	7.9	-.0
III	100.0	11.8	4.5	8.0	-.7
IV	100.0	12.4	5.1	7.8	-.5

Source.—U. S. Department of Commerce.

NOTE.—Figures are rounded and will not necessarily add to totals.

TABLE F.—*Number of operating business firms, 1939–47*

Year or quarter [1]	Number of operating firms	Year or quarter [1]	Number of operating firms
1939	3,316,700	1945—Continued	
1940	3,298,200	III	3,134,100
1941	3,308,000	IV	3,224,100
1942	3,155,700	1946	
1943		I	3,369,100
III	2,860,600	II	3,494,700
IV	2,835,600	III	3,595,800
1944		IV	3,657,800
I	2,848,700	1947	
II	2,870,900	I	3,731,400
III	2,923,500	II [2]	3,783,600
IV	2,964,800	III	(3)
1945		IV [4]	3,871,400
I	3,012,900		
II	3,065,600		

Source.—U. S. Department of Commerce.

[1] Annual figures are as of Sept. 30 of the indicated year, quarterly figures are as of the end of the quarter.
[2] Preliminary.
[3] Not available.
[4] Estimated.

TABLE G.—*Comparison of amounts and effective rates of individual income tax under present law,*[1] *the House bill (H. R. 4790), and the $40 per capita tax credit, for selected amounts of net income under $5,000*

MARRIED PERSON[2]—NO DEPENDENTS

Net income before personal exemption	Amounts of tax			Effective rates			Decrease in amounts of tax compared with present law		Decrease in effective rates compared with present law		Tax decrease as a percentage of present tax liability		Tax decrease as a percentage of net income after present tax liability	
	Present law	House bill (H. R. 4790)[3]	$40 per capita tax credit	Present law	House bill (H. R. 4790)[3]	$40 per capita tax credit	House bill (H. R. 4790)	$40 per capita tax credit	House bill (H. R. 4790)	$40 per capita tax credit	House bill (H. R. 4790)	$40 per capita tax credit	House bill (H. R. 4790)	$40 per capita tax credit
				Percent	*Percent*	*Percent*			*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
$1,200	$38	0	0	3.2	0	0	$38	$38	3.2	3.2	100.0	100.0	3.3	3.3
$1,500	95	$40	$15	6.3	2.7	1.0	55	80	3.7	5.3	58.0	84.2	3.9	5.7
$1,600	114	53	34	7.1	3.3	2.1	61	80	3.8	5.0	53.3	70.2	4.1	5.4
$1,700	133	67	53	7.8	3.9	3.1	67	80	3.9	4.7	50.0	60.2	4.2	5.1
$1,800	152	80	72	8.4	4.4	4.0	72	80	4.0	4.4	47.5	52.6	4.4	4.9
$1,900	171	93	91	9.0	4.9	4.8	78	80	4.1	4.3	45.6	46.8	4.5	4.6
$1,937[4]	178	98	98	9.2	5.1	5.1	80	80	4.1	4.1	44.9	44.9	4.6	4.5
$2,000	190	106	110	9.5	5.3	5.5	84	80	4.2	4.0	44.0	42.1	4.6	4.4
$2,500	285	173	205	11.4	6.9	8.2	112	80	4.5	3.2	39.3	28.1	5.1	3.6
$3,000	380	239	300	12.7	8.0	10.0	141	80	4.7	2.7	37.0	21.1	5.4	3.1
$3,500	485	326	405	13.8	9.3	11.6	159	80	4.5	2.3	32.7	16.5	5.3	2.7
$4,000	589	426	509	14.7	10.6	12.7	163	80	4.1	2.0	27.7	13.6	4.8	2.3
$4,500	694	502	614	15.4	11.1	13.6	192	80	4.3	1.8	27.7	11.5	5.0	2.1
$5,000	798	578	718	16.0	11.6	14.4	220	80	4.4	1.6	27.6	10.0	5.2	1.9

[1] Internal Revenue Code, as amended by the Revenue Act of 1945.
[2] Assumes only 1 spouse has income.
[3] Assumes taxpayer is not entitled to the special exemption for either the aged or the blind.
[4] Point at which the tax under H. R. 4790 is the same as the tax under the $40 per capita tax credit.

TABLE H.—*Comparison of amounts and effective rates of individual income tax under present law*[1] *and under the $40 per capita tax credit*

MARRIED PERSON[2]—NO DEPENDENTS

Net income before personal exemption	Amounts of tax: Present law	Amounts of tax: $40 per capita tax credit	Effective rates: Present law	Effective rates: $40 per capita tax credit	Decrease in amounts of tax compared with present law	Decrease in effective rates compared with present law	Tax decrease as a percentage of present tax liability	Tax decrease as a percentage of net income after present tax liability
			Percent	*Percent*		*Percent*	*Percent*	*Percent*
$1 400	$76	0	5 4	0	$76	5 4	100 0	5 7
$1 500	95	$15	6 3	1 0	80	5.3	84 2	5 7
$2,000	190	110	9 5	5 5	80	4 0	42 1	4 4
$2 500	285	205	11 4	8 2	80	3 2	28 1	3 6
$3 000	380	300	12.7	10 0	80	2 7	21 1	3 1
$4 000	589	509	14 7	12 7	80	2 0	13 6	2 3
$5 000	798	718	16 0	14 4	80	1 6	10 0	1 9
$6 000	1 045	965	17 4	16 1	80	1 3	7 7	1 6
$8 000	1 577	1 497	19 7	18 7	80	1 0	5 1	1 2
$10 000	2 185	2 105	21 0	21 1	80	8	3 7	1 0
$15 000	4 047	3 967	27 0	26 4	80	6	2 0	7
$20 000	6 394	6 314	32 0	31 0	80	4	1 3	6
$25 000	9 082	9 002	36 3	36 0	80	3	9	5
$50 000	24 795	24 715	49 6	49 4	80	2	3	3
$75 000	43 092	43 012	57 5	57 3	80	1	2	3
$100 000	63 128	63 048	63 1	63 0	80	1	1	2
$250 000	191 340	191 260	76 5	76 5	80	(3)	(3)	1
$350 000	277 790	277 710	79 4	79 3	80	(3)	(3)	1
$500 000	407 465	407 385	81 5	81 5	80	(3)	(3)	1
$750 000	623 590	623 510	83 1	83 1	80	(3)	(3)	1
$1 000 000	839 715	839 635	84 0	84 0	80	(3)	(3)	(3)

[1] Internal Revenue Code as amended by the Revenue Act of 1945
[2] Assumes only 1 spouse has income
[3] Less then 0 05 percent

TABLE I.—*Comparison of amounts and effective rates of individual income tax under present law*[1] *and under the House bill (H R 4790)*

MARRIED PERSONS[2]—NO DEPENDENTS

Net income before personal exemption	Amounts of tax: Present law	Amounts of tax: House bill (H R 4790)[3]	Effective rates: Present law	Effective rates: House bill (H R 4790)[3]	Decrease in amounts of tax compared with present law	Decrease in effective rates compared with present law	Tax decrease as a percentage of present tax liability	Tax decrease as a percentage of net income after present tax liability
			Percent	*Percent*		*Percent*	*Percent*	*Percent*
$1 200	$38	0	3 2	0	$38	3 2	100 0	3 3
$1 500	95	$40	6 3	2 7	55	3 6	58 0	3 9
$2 000	190	106	9 5	5 3	84	4 2	44 0	4 6
$2 500	285	173	11 4	6 9	112	4 5	39 3	5 1
$3 000	380	239	12.7	8 0	141	4 7	37 0	5 4
$4 000	589	426	14 7	10 6	163	4 1	27 7	4 8
$5 000	798	578	16 0	11 6	220	4 4	27 6	5 2
$6 000	1 045	742	17 4	12 4	303	5 0	29 0	6 1
$8 000	1,577	1 076	19 7	13 5	501	6 2	31 8	7 3
$10 000	2,185	1 455	21 9	14 5	730	7 4	33 4	9 8
$15 000	4 047	2 628	27 0	17 5	1,419	9 5	35 1	13 0
$20 000	6 394	4 006	32.0	20 0	2 388	12 0	37 3	17 5
$25,000	9 082	5 589	36 3	22 4	3 493	13 9	38 5	21 9
$50 000	24 795	16,592	49 6	33 2	8,203	16 4	33 1	32 5
$75 000	43,092	30 013	57 5	40 0	13 079	17 5	30 4	41 0
$100 000	63 128	44 964	63 1	45 0	18,164	18 1	28 8	49 3
$250 000	191 340	152,092	76 5	60 8	39 248	15 7	20 5	66.9
$350 000	277 790	228 604	79 4	65 3	49 186	14 1	17 7	68.1
$500,000	407 465	344 874	81 5	69 0	62,591	12.5	15 4	67 6
$750 000	623 590	539 386	83 1	71 9	84 203	11 2	13 5	66 6
$1 000 000	839 715	733 899	84 0	73 4	105 816	10 6	12 6	66 0

[1] Internal Revenue Code, as amended by the Revenue Act of 1945
[2] Assumes only 1 spouse has income
[3] Assumes taxpayer is not entitled to the special exemption for either the aged or the blind

TABLE J.—*Estimated number of taxable income recipients and their total individual income tax under present law* [1] *and under $40 per capita tax credit, distributed by net income classes, in calendar year 1948 (assuming personal income of $200 billion)*

[Number of income recipients in thousands money amounts in millions]

Net income class in thousands of dollars	Number of income recipients			Total tax [2]			
	Taxable under present law	Taxable under the $40 per capita tax credit	Made nontaxable by the $40 per capita tax credit	Under present law	Under the $40 per capita tax credit	Decrease under the $40 per capita tax credit	
						Amount	Percentage distribution
Under 1	5 832 7	3,090 2	2 742 0	$252 1	$70 7	$172 5	5 4
1 to 2	20 583 1	15 700 7	4 882 4	3 039 0	2 057 7	981 0	30 6
2 to 3	15 090 3	12,801 0	2,294 8	4 182 0	3 109 8	1 072 2	33 3
3 to 4	6,750 1	5,893 0	857 1	2 489 4	1 977 7	511 7	15 9
4 to 5	2 512 9	2,447 0	65 9	1 501 6	1 311 6	250 0	7 8
Under 5	49 775 2	39 432.5	10,342.7	11,524 8	8 530 5	2 988 3	93 0
5 to 10	1 463 2	1 463 2		1 626 5	1 478 8	147 7	4 7
10 to 25	608 1	608.1		2 464 1	2 405 6	58 5	1 8
25 to 50	149 5	149 5		2 141 2	2 130 0	13.3	4
50 to 100	51 4	51 4		1 878 9	1 874 4	4 5	1
100 to 250	10 3	10 3		980 0	979 2	8	(4)
250 to 500	1 3	1 3		321 8	321 7	1	(4)
500 to 1 000	3	3		177 7	177 7	(3)	(4)
1,000 and over	1	1		124 9	124 9	(3)	(4)
5 and over	2 284 1	2 284 1		9 718 1	9 493 1	225 0	7 0
Grand total	52 059 4	41,716.6	10,342 7	21,242.9	18 029 6	3 213 2	100 0

NOTE.—Figures are rounded and will not necessarily add to totals

[1] Internal Revenue Code, as amended by the Revenue Act of 1945

[2] Includes normal tax, surtax and alternative tax on net long term capital gains

[3] Less than $50 thousand

[4] Less than .05 percent

TABLE K.—*Estimated number of taxable income recipients and their total individual income tax under present law*[1] *and under the House bill (H R 4790), distributed by net income classes, in calendar year 1948 (assuming personal income of $200 billion)*

[Number of income recipients in thousands money amounts in millions]

Net income class (in thousands of dollars)	Number of income recipients			Total tax[2]			
	Taxable under present law	Taxable under House bill (H R 4790)	Made nontaxable under House bill (H R 4790)	Under present law	Under House bill (H R 4790)	Decrease under House bill (H R 4790)	
						Amount	Percentage distribution
Under 1	5 832 7	3 936 0	1 806 7	$252 1	$103 2	$148 0	2.4
1 to 2	20 583 1	17 660 4	2 022 7	3 039 6	1 770 1	1 269 5	20 3
2 to 3	15 096 8	13 762 8	1 333 5	4 182.0	2,738 4	1,443 6	23 1
3 to 4	5 750 1	5 635 6	114 5	2 489 4	1 667 8	821 0	13 2
4 to 5	2 512 0	2 495 0	17 0	1 561 6	1 103 0	458 6	7 3
Under 5	49 775 2	43 490 8	6 284 5	11 524 8	7 382.7	4 142 1	66 3
5 to 10	1,403 2	1 403 2		1 026 5	1 133 0	493 5	7 9
10 to 25	608 1	608 1		2 464 1	1 825 4	638 7	10 2
25 to 50	149 5	140 5		2 144 2	1 697 8	446 4	7 1
50 to 100	51 4	51 4		1 878 9	1,554 2	324 7	5 2
100 to 250	10 3	10 3		980 0	844 3	135 7	2.2
250 to 500	1 3	1 3		321 8	286 6	35 2	6
500 to 1,000	8	8		177 7	160 3	17 4	3
1,000 and over	1	1		124 0	113 6	11 3	2
5 and over	2 284.1	2 284 1	-	9,718 1	7 615 2	2 102.9	33 7
Grand total	52,059 4	45 774 9	6 284 5	21,242 9	14 997 9	6 245 0	100 0

NOTE —Figures are rounded and will not necessarily add to totals

[1] Internal Revenue Code as amended by the Revenue Act of 1945
[2] Includes normal tax, surtax and alternative tax on net long term capital gains

TABLE L.—*Estimated revenue loss from each individual income tax provision of the House bill (H. R. 4790), distributed by net income classes, in calendar year 1948 (assuming personal income of $200 billion)*

[In millions of dollars]

Net income class (in thousands of dollars)	Total decrease in tax under House bill (H. R. 4790)	Tax decrease from each individual income tax provision of House bill (H. R. 4790) [1]: Increase the per capita exemption to $600	Additional exemption for persons over 65	Special provision for the blind	Allow married couples to split their incomes	Increase the standard deduction	Reductions of tentative normal tax and surtax: Total from all reductions	33.5 percent	$67	24 percent	$201.60 plus 14.5 percent of excess over $840
Under 1	148.9	96.5	8.1	(2)		-	44.3	44.3	- -		-
1 to 2	1 269.5	522.1	70.8	0.1	-		676.5	349.2	327.1	0.2	
2 to 3	1 443.6	553.9	73.0	.1	0.5		816.1	289.6	39.6	486.9	-
3 to 4	821.6	264.3	68.4	.1	5.3		483.5	118.7	71.5	293.3	- -
4 to 5	458.6	131.2	18.0	(2)	14.5	2.1	292.8	32.2	35.2	183.3	42.1
Under 5	4,142.1	1,567.9	238.3	.3	20.3	2.1	2,313.2	834.0	473.4	963.7	42.1
5 to 10	493.5	87.9	19.2	(2)	69.6	68.1	248.7	2.4	4.0	117.5	124.8
10 to 25	638.7	58.3	7.4	(2)	296.1	20.9	256.0		-	2.9	253.1
25 to 50	446.4	20.1	2.2	(2)	224.4	2.3	197.4				197.4
50 to 100	324.7	8.4	.9	(2)	142.2	.4	172.8		-		172.8
100 to 250	135.7	1.8	.3	(2)	44.3	(2)	89.3		-	- -	89.3
250 to 500	35.2	.2	(2)	(2)	5.6	(2)	29.4	-	-		29.4
500 to 1 000	17.4	.1	(2)		.9	(2)	16.4		--		16.4
1 000 and over	11.3	(2)	(2)	-	.1	-	11.2	--	--	-	11.2
5 and over	2,102.9	176.8	30.0	(2)	783.2	91.7	1,021.2	2.4	4.0	120.4	894.4
Grand total	6,245.0	1 744.7	268.3	.3	803.5	93.8	3,334.4	836.4	477.4	1 084.1	936.5

NOTE.—Figures are rounded and will not necessarily add to totals

[1] The provisions are estimated consecutively, each individual loss depending on the cumulative effect of the preceding provisions

[2] Less than $50 000

TABLE M.—*Comparison of combined normal tax and surtax rates under present law*[1] *and under the House bill (H. R. 4790)*

Surtax net income		Combined normal tax and surtax rates			Percentage-point decrease (−) or increase (+) in rates compared with present law
		Present law		House bill (H. R. 4790) rates after reductions	
Exceeding—	Not exceeding—	Tentative rates	Rates after 5 percent reduction		
		Percent	*Percent*	*Percent*	*Percent*
$0	$1,000	20	19.00	13.300	−5.700
$1,000 [2]	$1,400 [2]			20.000	+1.000
$1,400	$2,000			15.200	−3.800
$2,000	$4,000	22	20.90	16.720	−4.180
$4,000	$6,000	26	24.70	22.230	−2.470
$6,000	$8,000	30	28.50	25.650	−2.850
$8,000	$10,000	34	32.30	29.070	−3.230
$10,000	$12,000	38	36.10	32.490	−3.610
$12,000	$14,000	43	40.85	36.765	−4.085
$14,000	$16,000	47	44.65	40.185	−4.465
$16,000	$18,000	50	47.50	42.750	−4.750
$18,000	$20,000	53	50.35	45.315	−5.035
$20,000	$22,000	56	53.20	47.880	−5.320
$22,000	$26,000	59	56.05	50.445	−5.605
$26,000	$32,000	62	58.90	53.010	−5.890
$32,000	$38,000	65	61.75	55.575	−6.175
$38,000	$44,000	69	65.55	58.995	−6.555
$44,000	$50,000	72	68.40	61.560	−6.840
$50,000	$60,000	75	71.25	64.125	−7.125
$60,000	$70,000	78	74.10	66.690	−7.410
$70,000	$80,000	81	76.95	69.255	−7.695
$80,000	$90,000	84	79.80	71.820	−7.980
$90,000	$100,000	87	82.65	74.385	−8.265
$100,000	$150,000	89	84.55	76.095	−8.455
$150,000	$200,000	90	85.50	76.950	−8.550
$200,000 and over [3]		91	86.45	77.805	−8.645

[1] Internal Revenue Code as amended by the Revenue Act of 1945.
[2] Designates notch area under the House bill. The exact upper limit of the notch area is $1,395.83.
[3] Tax is subject to the following maximum effective rate limitations: under present law, 85.5 percent; under the House bill, 77 percent.

TABLE N.—*Estimated number of taxable income recipients distributed by the various percentage reductions provided under the House bill (H. R. 4790), in calendar year 1948 (assuming personal income of $200 billion)*

Surtax net income	Tentative normal tax and surtax	Reductions of tentative normal tax and surtax	Reductions of actual present law tax [1]	Number of taxable income recipients
0 to $1,000	0 to $200	33.5 percent	30 percent	23,700,000
$1,000 to $1,395.83	$200 to $279.17	$67	30 to 20 percent	7,900,000
$1,395.83 to $4,000	$279.17 to $840	24 percent	20 percent	12,500,000
$4,000 and over	$840 and over	$201.60 plus 14.5 percent of excess over $840	$159.60 plus 10 percent of excess over $798	1,700,000
Total				45,800,000

[1] Internal Revenue Code as amended by the Revenue Act of 1945.

TABLE O.—*Estimated number of taxable and nontaxable income recipients, their income and individual income tax under present law,[1] in calendar year 1948 (assuming personal income of $200 billion)*

	Number of income recipients (thousands)	Amount of income (millions)	Total tax (millions)
Total, all income recipients	71,578	[2] $147,932	$21 243
Nontaxable income recipients	19,519	[2] 15,020	-
Taxable income recipients	52,059	[2] 132,012	21,243
Subject to surtax	52,059	[4] 86 108	18,603
Subject to normal tax	[3] 52,059	[5] 86,085	2 453
Subject to alternative tax	23	[6] 373	187

[1] Internal Revenue Code as amended by the Revenue Act of 1945
[2] Net income before exemptions
[3] The number of persons paying normal tax is estimated to be less than 500 smaller than the number paying surtax
[4] Surtax net income
[5] Normal tax net income
[6] Net long term capital gains subject to alternative tax

TABLE P.—*Estimated number of taxable income recipients under present law,[1] their surtax net income and combined normal tax and surtax, distributed by surtax net income brackets, in calendar year 1948 (assuming personal income of $200 billion)*

[Number of income recipients in thousands, money amounts in millions]

Surtax net income brackets (in thousands of dollars)	Taxable income recipients cumulated from highest bracket		Surtax net income in bracket		Combined normal tax and surtax in bracket [2]	
	Number	Percent	Amount	Percent	Amount	Percent
Under 2	52 059 4	100 00	$58 440 4	67 88	$11,105 1	52.72
2 to 4	11 190 6	21 50	10 499 6	12.19	2,194 3	10 42
4 to 6	2 352.3	4.52	3 175 1	3 69	784 2	3 72
6 to 8	1,259 3	2.42	2,046.5	2.38	583.2	2.77
8 to 10	926 9	1 78	1 592 1	1 85	514 2	2 44
10 to 12	725 6	1 39	1,224 2	1 42	441 9	2 10
12 to 14	569 4	1 09	994.9	1 16	406.4	1 93
14 to 16	462.5	89	822.2	95	367 1	1 74
16 to 18	385 5	74	690 3	80	328 1	1 56
18 to 20	322.5	62	583 5	68	293 8	1 40
20 to 22	276.3	53	502.2	58	267 1	1 27
22 to 26	237 8	46	825.9	96	462.0	2.20
26 to 32	176 4	34	940 4	1 09	553 9	2 63
32 to 38	120 1	23	665 0	77	410 6	1 95
38 to 44	92.0	18	502.8	58	329 6	1 57
44 to 50	73 8	14	394.4	46	269 7	1 28
50 to 60	60 5	12	474 4	55	338.0	1 01
60 to 70	40 2	08	326.4	38	241 8	1 15
70 to 80	27 7	05	227 2	26	174 8	83
80 to 90	19 8	04	165 8	19	132.3	63
90 to 100	14.3	03	118.0	14	98.3	47
100 to 150	10 7	02	342.7	40	289 7	1 38
150 to 200	4 2	01	142.8	17	122.1	58
Over 200	2.2	([3])	401 4	47	347 0	1 65
Grand total			[4] 86 108.4	100 00	21,066.2	100 00

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Internal Revenue Code as amended by the Revenue Act of 1945
[2] Normal tax and surtax were obtained separately by applying the appropriate rates to normal tax and surtax net income Since normal tax net income is somewhat less than surtax net income, these amounts will differ slightly from the result obtained by applying the combined rates to surtax net income
[3] Less than 0 005 percent
[4] Excludes amounts subject to the alternative tax

TABLE Q.—*Estimated number of taxable income recipients under present law,*[1] *their net income before exemptions, surtax net income and total tax, distributed by net income classes, in calendar year 1948 (assuming personal income of $200 billion)*

[Number of income recipients in thousands, money amounts in millions]

Net income classes (in thousands of dollars)	Taxable income recipients		Net income before exemptions [2]		Surtax net income		Total tax [3]	
	Number	Percentage distribution	Amount	Percentage distribution	Amount	Percentage distribution	Amount	Percentage distribution
Under 1	5,832.7	11.2	$4,228.1	3.2	$1,327.2	1.5	$252.1	1.2
1 to 2	20,583.1	39.6	31,050.8	23.4	15,998.3	18.6	3,039.6	14.3
2 to 3	15,096.3	29.0	37,503.0	28.1	21,947.2	25.5	4,182.0	19.7
3 to 4	5,760.1	11.0	19,758.2	14.9	12,849.5	14.9	2,480.4	11.7
4 to 5	2,512.9	4.8	11,102.9	8.4	7,908.0	9.2	1,551.6	7.4
Under 5	49,775.2	95.6	103,643.1	78.0	50,030.2	69.7	11,524.8	64.3
5 to 10	1,463.2	2.8	9,457.3	7.1	7,609.0	8.8	1,626.5	7.7
10 to 25	608.1	1.2	9,035.6	6.8	8,290.8	9.7	2,464.1	11.6
25 to 50	149.5	.3	5,081.8	3.8	4,830.2	5.6	2,144.2	10.1
50 to 100	51.4	.1	3,422.5	2.6	3,286.0	3.8	1,878.9	8.8
100 to 250	10.3	(4)	1,458.5	1.1	1,350.9	1.6	980.0	4.6
250 to 500	1.3	(4)	428.0	.3	380.5	.4	321.8	1.5
500 to 1,000	.3	(4)	226.8	.2	109.5	.2	177.7	.8
1,000 and over	.1	(4)	158.0	.1	131.2	.2	124.9	.0
Over 5	2,284.1	4.4	29,268.6	22.0	26,078.2	30.3	9,718.1	45.7
Grand total	52,059.4	100.0	132,911.7	100.0	86,108.4	100.0	21,242.9	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Internal Revenue Code, as amended by the Revenue Act of 1945.
[2] Includes amounts subject to the alternative tax.
[3] Includes normal tax, surtax, and alternative tax on net long term capital gains.
[4] Less than 0.05 percent.

TABLE R.—*Number of taxable individual and fiduciary returns, tax and net income, 1913–46, and estimated for 1947–48*

Year	Number of returns	Tax	Net income
1913	(1)	[2] $28,254,000	(3)
1914	(1)	[2] 41,046,000	(3)
1915	(1)	[2] 67,944,000	(3)
1916	362,970	173,387,000	$6,097,233,000
1917	2,707,234	[4] 795,381,000	[5] 10,592,987,000
1918	3,392,863	1,127,722,000	13,892,776,000
1919	4,231,181	1,269,030,000	17,691,620,000
1920	5,518,310	1,075,054,000	20,228,959,000
1921	3,589,985	719,387,000	13,400,685,000
1922	3,681,249	861,057,000	15,043,514,000
1923	4,270,121	[6] 661,666,000	17,497,383,000
1924	4,489,698	704,265,000	19,468,724,000
1925	2,501,166	734,555,000	17,471,219,000
1926	2,470,990	732,475,000	17,422,633,000
1927	2,440,041	830,639,000	18,000,065,000
1928	2,523,063	1,164,254,000	21,031,634,000
1929	2,458,049	1,001,938,000	20,493,491,000
1930	2,037,645	476,715,000	13,692,584,000
1931	1,525,546	246,127,000	9,297,018,000
1932	1,936,095	329,962,000	7,919,588,000
1933	1,747,740	374,120,000	7,372,660,000
1934	1,795,920	511,400,000	8,343,558,000
1935	2,110,890	657,439,000	10,034,106,000
1936	2,861,108	1,214,017,000	14,218,854,000
1937	3,371,443	1,141,569,000	15,234,162,000
1938	3,048,545	765,833,000	12,671,537,000
1939	3,950,297	928,694,000	15,803,945,000
1940	7,504,649	1,496,403,000	23,558,030,000
1941	17,587,471	3,907,951,000	45,902,884,000
1942	27,718,534	8,926,712,000	67,060,862,000
1943	40,337,298	[7] 14,590,018,000	98,150,180,000
1944	42,446,837	16,347,479,000	(3)
1945 (preliminary)	42,764,062	17,225,983,000	(3)
1946	[8] 38,840,638	[9] 17,400,000,000	(3)
1947 [9]	44,000,000	20,600,000,000	(3)
1948 [9]	46,000,000	21,242,870,000	132,911,677,000

Source.—Data for 1916–45 from Statistics of Income

[1] Not available. The total number of taxable and nontaxable returns filed were as follows: 1913, 357,598; 1914, 357,515; and 1915, 336,652.

[2] Receipts (including fines, penalties, additional assessments, etc.) for the fiscal year ended June 30 immediately following as shown in annual reports of the Commissioner of Internal Revenue.

[3] Not available.

[4] Includes war excess profits taxes of $101,249,781 on individuals and $103,887,984 on partnerships.

[5] Tax base for taxable returns with net incomes of $2,000 and over. There were 1,591,518 taxable returns with net incomes of $2,000 and over, for which the tax amounted to $675,249,450.

[6] Amount after the 25 percent reduction provided by sec. 1200 (a), Revenue Act of 1924.

[7] Excludes additions to liability under the Current Tax Payment Act of 1943 amounting to $2,555,894,000.

[8] Obtained from collectors' monthly report to Commissioner of returns filed.

[9] Estimated.

Exhibit 29.—Message from the President, April 1, 1948, returning without approval the bill (H. R. 4790) to reduce individual income tax payments, and for other purposes

[House Document No. 589, 80th Congress, 2d Session]

To the House of Representatives:

I return herewith, without my approval, H. R. 4790, entitled "An act to reduce individual income tax payments, and for other purposes."

It is a matter of deep regret to me that I am compelled to take this action. If I could conscientiously approve tax reductions, I would gladly do so. But I am convinced that to reduce the income of the Government by $5,000,000,000 at this time would exhibit a reckless disregard for the soundness of our economy and the finances of our Government.

All of us are aware that the world situation is one of uncertainty and, indeed, of danger. The United States, in common with other free nations, is taking positive action on many fronts to preserve conditions of peace with justice against the forces of dissension and chaos. In this endeavor, as I stated in my address to the Congress on March 17, 1948, "the United States has a tremendous responsibility to act according to the measure of our power for good in the world."

Under these conditions, the primary test which I must apply in considering this bill is whether or not it would contribute to the strength of the United States. My fundamental objection to the bill is that it would not strengthen, but instead would weaken, the United States.

This is true for two reasons.

First, the bill would reduce Government revenues to such an extent as to make likely a deficit in Government finances, at a time when responsible conduct of the financial affairs of this Nation requires a substantial surplus in order to reduce our large public debt and to be reasonably prepared against contingencies.

Second, the bill would greatly increase the danger of further inflation, by adding billions of dollars of purchasing power at a time when demand already exceeds supply at many strategic points in the economy, and when Government expenditures are necessarily rising.

The estimates of Government expenditures for the fiscal year 1949 which I submitted to the Congress in January totaled 39.7 billion dollars. Receipts were estimated at 44.5 billion dollars, leaving a surplus of 4.8 billion dollars for debt retirement and contingencies.

It has since become apparent that despite the most stringent efforts toward economy, there will be several important increases in expenditures above the January estimates. Legislation has been enacted increasing payments to veterans. Larger amounts will be required for assistance to certain foreign countries. Legislation to increase the salaries of Federal employees is being considered. It has been necessary to recommend substantial additional appropriations to the Congress to bring our armed forces to a proper strength.

Altogether these increases, after taking due account of appropriation actions by the Congress to date and of the additional tax refunds which would occur under this bill, involve additional expenditures for the fiscal year 1949 of at least 3.5 billion dollars above the January estimates. In the fiscal year 1950 these additional programs would increase expenditures by another 2 billion dollars, or by a total of 5.5 billion dollars. It is clear that, if this bill which reduces taxes by 5 billion dollars were to become law, there would in fact be a deficit in the fiscal year 1949 even under the more optimistic estimates of revenue used by the congressional committees.

The Congress proposes to extricate itself from this situation by charging $3,000,000,000 of the 1949 expenditures under the European Recovery Program against the 1948 revenues. This might avoid a deficit in 1949. But the facts cannot be obscured by the fiscal sleight-of-hand by which a prospective deficit in 1949 is made to appear as a surplus. Actually the surplus available for debt retirement for the 2 years 1948 and 1949 would not be affected in the slightest by such a shift in accounting.

The public debt is $253,000,000,000. I repeat what I have so often said before—if we do not reduce the public debt by substantial amounts during a prosperous period such as the present, there is little prospect that it will ever be materially reduced.

I am aware that some hold the view that it would be proper to reduce taxes now, and that it will be time enough to restore adequate Federal revenues when

the full extent and cost of our commitments are more definitely determined I cannot subscribe to such an erratic and vacillating tax policy We already know enough about the Government's financial outlook to demonstrate the serious effects of reducing revenues now by $5,000,000,000 The additional expenditures which are in prospect, although not exactly determined as to amount, are of sufficient size to make clear the shortsightedness of cutting taxes at the very time our obligations are increasing If I endorsed tax reduction now, knowing that to do so would in all likelihood mean increased taxes next year, I would not be dealing fairly with the American people

This bill would undermine the soundness of our Government finances at a time when world peace depends upon the strength of the United States

It would also gamble with the dangers of further inflation I have urged on many occasions that steps be taken to relieve the distressing effects of high prices Since these steps have not been taken, the most important force restraining inflation has been the Government surplus and the use of this surplus to reduce the public debt This bill would reduce or eliminate this important weapon against inflation

It has been argued that tax reduction now would furnish incentives for more active investment and business enterprise and, consequently, more production The plain facts show that neither funds nor profit incentives are lacking for investment and business enterprise at present tax rates

Industrial expenditures for new plant and equipment reached the record level of more than $16,000,000,000 in 1947, contrasted with $12,000,000,000 in 1946 and $8,000,000,000 in 1941 Preliminary estimates indicate that industrial expenditures for new plant and equipment during the first quarter of 1948 ran much higher than the average for 1947

Corporate profits were at extraordinary levels during 1947, reaching 17 3 billion dollars after taxes, contrasted with a previous peak of 12 5 billion dollars in 1946 Preliminary estimates indicate that corporate profits during the first quarter of 1948 have substantially maintained the very high level of 1947

The national income is at a record level Employment is at a record level Production is at a record peacetime level The resources and labor force of this country are fully employed Under these circumstances, tax reduction could only result in higher prices—not in higher production

From the viewpoint of the average family which spends most of its income to buy the necessities of life, the kind of tax reduction which this bill provides would be an evil in disguise Inflation is still here and the cost of living has not descended to reasonable levels The consumers' price index, which was 159 for 1947 as a whole, was 167 5 in February 1948, and preliminary figures indicate that it was even higher in March A large tax reduction at this time would help to drive the cost of living still higher

With wise and careful planning the American tax system can make an important contribution to economic progress But if we dissipate the strength of our revenue system by ill-timed tax reduction, we shall sacrifice for many years our opportunities to lay a solid foundation for a more effective tax system Major reforms are needed in all important areas of the Federal tax system—excise taxes, corporate taxes, individual income taxes, and estate and gift taxes The enactment of H R 4790 would, by prematurely weakening the tax system, not only aggravate our immediate problems but also constitute a serious obstacle in the path of realizing many urgently needed fundamental tax reforms

The tax reduction provided by this bill is inequitable as well as untimely

In the case of the income tax, nearly 40 percent of the reduction would go to individuals with net incomes in excess of $5,000, who constitute less than 5 percent of all taxpayers

In the case of the estate and gift taxes, nearly all of the $250,000,000 annual reduction would go to only about 12,000 of the most wealthy families The discovery that it is possible to make very substantial savings in the gift and estate taxes by dividing a family's wealth between husband and wife has brought forth much ingenious argument to the effect that the provisions in this bill are needed to equalize the application of these taxes in community-property and common-law States In fact, this equalization was in all essential respects achieved by legislation enacted by the Congress in 1942

For the reasons I have set forth, H R 4790 is not compatible with the requirements of the critical international situation It is not compatible with sound domestic economic and debt management policies If enacted, it would ma-

terially weaken this Nation's efforts to maintain peace abroad and prosperity at home

It is bad policy to reduce taxes in a manner which would encourage inflation and bring greater hardship, not relief, to our people It is bad policy to endanger the soundness of our national finances at a time when our responsibilities are great in an unsettled world

I am confident that the men and women of our country prefer the maintenance of our national strength to a reduction in taxes under the present circumstances

I consider it my clear duty, therefore, to return H R 4790 without my approval

HARRY S TRUMAN

THE WHITE HOUSE, *April 1, 1948*

Exhibit 30—Message from the President, June 14, 1948, returning without approval the joint resolution (H J Res 296) to maintain the status quo in respect of certain employment taxes and social security benefits

[House Document No 711, 80th Congress 2d session]

To the House of Representatives

I return herewith, without my approval, House Joint Resolution 296, to maintain the status quo in respect of certain employment taxes and social security benefits pending action by Congress on extended social security coverage

Despite representations to the contrary, sections 1 and 2 of this resolution would exclude from the coverage of the old-age and survivors insurance and unemployment insurance systems up to 750,000 employees, consisting of a substantial portion of the persons working as commission salesmen, life insurance salesmen, pieceworkers, truck drivers, taxicab drivers, miners, journeymen tailors, and others In June 1947 the Supreme Court held that these employees have been justly and legally entitled to social security protection since the beginning of the program in 1935 I cannot approve legislation which would deprive many hundreds of thousands of employees, as well as their families, of social security benefits when the need for expanding our social insurance system is so great

Furthermore, if enacted into law, this resolution would overturn the present sound principle that employment relationships under the social security laws should be determined in the light of realities rather than on the basis of technical legal forms In so doing, it would make the social security rights of the employees directly excluded, and many thousands of additional employees depend almost entirely upon the manner in which their employers might choose to cast their employment arrangements Employers desiring to avoid the payment of taxes which would be the basis for social security benefits for their employees could do so by the establishment of artificial legal arrangements governing their relationship with their employees I cannot approve legislation which would permit such employers at their own discretion to avoid the payment of social security taxes and to deny social security protection to employees and their families

It has been represented that the issue involved in this resolution is whether or not the legislative branch of the Government shall determine what individuals are entitled to social security protection This is not the issue at all The real issue is whether the social security coverage of many hundreds of thousands of individuals should be left largely to the discretion of their employers On this issue the proper course is obvious

The expressed purpose of the sponsors of this resolution is to exclude from the coverage of the Social Security Act persons who have the status of independent contractors, rather than that of employees But no legislation is needed to accomplish this objective Under present law, as interpreted by the Supreme Court, only persons who are bona fide employees are covered by our social security system

When all of the considerations regarding sections 1 and 2 of the resolution are sifted, two basic facts remain unrefuted Hundreds of large employers are assured of an exemption from social security taxes, while hundreds of thousands of employees and their families are equally assuredly prevented from receiving the social security protection which the Supreme Court in June of last year clearly indicated

was justly theirs. These two facts were minimized by the sponsors of the resolution, who would have us believe, for example, that a traveling salesman who devotes full working time in the service of one company and depends completely upon that company for his livelihood is not an employee of that company but is an independent businessman and does not need social security protection.

Instead of clarifying the distinction between independent contractors and employees, which is a difficult legal issue in many cases, this resolution would revive the confusion which has plagued the administration of the Social Security Act for so many years. Benefits which are now payable to thousands of persons would have to be withheld pending final determination of the new and complex legal problems raised by this resolution.

Moreover, the resolution purports to preserve the past coverage of employees who have already made contributions under this system. But in fact, under the terms of the Social Security Act, such coverage would expire in a few years, and previous contributions would be made worthless.

It has been asserted that it would be difficult for employers to keep the necessary records and meet other requirements of the law with respect to the employees affected by this resolution. This is reminiscent of the objections made in opposition to the original Social Security Act in 1935. If such objections had prevailed in 1935, our social security program never would have been enacted. To allow them to prevail now would threaten the very foundation of the system. I cannot believe that the mere convenience of employers should be considered more important than the social security protection of employees and their families.

It has also been urged that without this resolution some persons would receive credit toward old-age and survivors benefits for 3 or 4 past years during which contributions were not collected. If the elimination of these credits had been the real purpose of the resolution, it could readily have been achieved without permanently excluding anyone from social insurance protection.

If our social security program is to endure, it must be protected against these piecemeal attacks. Coverage must be permanently expanded, and no employer or special group of employers should be permitted to reverse that trend by efforts to avoid a tax burden which millions of other employers have carried without serious inconvenience or complaint.

Section 3 of this resolution contains provisions—completely unrelated to sections 1 and 2—for additional public assistance of $5 per month to the needy aged and blind and $3 per month to dependent children.

These changes fall far short of the substantial improvements in our public assistance program which I have recommended many times. Nevertheless, I am strongly in favor of increasing the amount of assistance payments. Were it not for the fact that the Congress still has ample opportunity to enact such legislation before adjournment, I would be inclined to approve the resolution in spite of my serious objections to sections 1 and 2. Speedy action on public assistance legislation is clearly possible. I note that section 3 of this resolution was adopted as an amendment on the floor of the Senate and passed by both Houses in a single afternoon. Accordingly, I am placing this matter before the Congress in adequate time so that the public assistance program will not suffer because of my disapproval of this resolution.

At the same time, I urge again that the Congress should not be satisfied at this session merely to improve public assistance benefits—urgent as that is. There are other equally urgent extensions and improvements in our social security system which I have repeatedly recommended. They are well understood and widely accepted and should be enacted without delay.

Because sections 1 and 2 of this resolution would seriously curtail and weaken our social security system, I am compelled to return it without my approval.

HARRY S. TRUMAN

THE WHITE HOUSE, *June 14, 1948.*

Exhibit 31.—Message from the President, April 5, 1948, returning without approval the bill (H. R. 5052) to exclude certain vendors of newspapers or magazines from certain provisions of the Social Security Act and the Internal Revenue Code

[House Document No. 594, 80th Congress, 2d Session]

To the House of Representatives:

I am returning herewith, without my approval, H. R. 5052, a bill to exclude certain vendors of newspapers or magazines from certain provisions of the Social Security Act and the Internal Revenue Code.

This bill is identical with H. R. 3997, which I declined to approve in August 1947.

This legislation has far greater significance than appears on the surface. It proposes to remove the protection of the social security law from persons now entitled to its benefits. Thus, it raises the fundamental question of whether or not we shall maintain the integrity of our social security system.

H. R. 5052 would remove social security protection from news vendors who make a full-time job of selling papers and who are dependent on that job for their livelihood. Many vendors of newspapers are excluded even at present from coverage under the Social Security Act because they are not employees of the publishers whose papers they sell. But some vendors work under arrangements which make them bona fide employees of the publishers and, consequently, are entitled to the benefits of the Social Security Act.

If enacted into law, this bill would make the social security rights of these employees depend almost completely upon the form in which their employers might choose to cast their employment contracts. Employers desiring to avoid the payment of taxes which would be the basis for social security benefits for their employees could do so by the establishment of artificial legal arrangements governing their relationships with their employees. It was this sort of manipulation which the Supreme Court effectively outlawed in June of 1947 when the Court unanimously declared that employment relationships under the social security laws should be determined in the light of realities rather than on the basis of technical legal forms. I cannot believe that this sound principle announced by the Court should be disregarded, as it would be by the present bill.

The principal consideration offered in support of the bill appears to be a concern for the administrative difficulties of certain employers in keeping the necessary records and in collecting the employee contributions required by the social security system. In appraising these difficulties, it should be recognized that the employers have control over the form of the employment contracts and the methods by which their salesmen are compensated. The salesmen are dependent upon the employers, and whatever remittances or reports are required for withholding and reporting purposes should be within each employer's reach. Certainly, the difficulties involved are not so formidable as to warrant the exclusion of these employees from coverage in the social security system and the consequent destruction of their benefit rights and those of their dependents.

It is said that the news vendors affected by this bill could more appropriately be covered by the social security law as independent contractors, when and if coverage is extended to the self-employed. Whether that is true or not, surely they should continue to receive the benefits to which they are now entitled until the broader coverage is provided. It would be most inequitable to extinguish their present rights pending a determination as to whether it is more appropriate for them to be covered on some other basis.

In withholding my approval from H. R. 3997 last August, I expressed my concern that such a bill would open our social security structure to piecemeal attack and to slow undermining. That concern was well founded. The House of Representatives has recently passed a joint resolution which would destroy the social security coverage of several hundred thousand additional employees. As in the case of H. R. 5052, the joint resolution passed by the House is directed toward upsetting the doctrine established by the Supreme Court last summer that employment relationships should be determined on the basis of realities. The present bill must be appraised, therefore, as but one step in a larger process of the erosion of our social security structure.

The security and welfare of our Nation demand an expansion of social security to cover the groups which are now excluded from the program. Any step in the

opposite direction can only serve to undermine the program and destroy the confidence of our people in the permanence of its protection against the hazards of old age, premature death, and unemployment

For these reasons, I am compelled to return H R 5052 without my approval

HARRY S TRUMAN

THE WHITE HOUSE, *April 5, 1948*

Exhibit 32 —Statement of Under Secretary of the Treasury Wiggins before the House Ways and Means Committee, November 4, 1947, on the taxation of farmers' cooperative associations

I am glad to have the opportunity to appear before this committee to discuss a subject in taxation which has received considerable attention in recent years The taxation of farmers' cooperative associations

From the letter which I received from the chairman I am aware that your committee desires to hear testimony on the much broader subject of the treatment of all tax-exempt organizations We have in process a study extending over the wide range of subjects encompassed by section 101 of the code To date, however, because of our limited and reduced staff, the Treasury Department has been able to complete only one segment of this study—that relating to farmers' marketing and purchasing cooperatives We released this part of the study on October 31, 1947, and have made it available to each member of this committee, and with your permission I would like to offer this for the record

I propose to confine my statement today to the one aspect of the general problem of tax-exempt organizations which we have been able to investigate up to this time However, some of the remarks which I shall make on farm cooperatives are also applicable in principle to other types of cooperatives, such as urban purchasing cooperatives, mutual insurance companies, mutual irrigation cooperatives, cooperative telephone companies, credit unions, and the like

I should also state at the outset that I am not prepared to make specific suggestion for the revision of the tax treatment of farm marketing and purchasing cooperatives pending completion of our study of other tax-exempt organizations But more important, I do not feel that it is wise to reach firm conclusions with respect to this part of the postwar tax structure before we have had an opportunity to review the entire tax system As this committee knows, the Treasury Department is currently engaged in a comprehensive review of the Federal tax system When this study and review is completed we hope to have the opportunity to submit our full recommendations to this committee

It is important that the tax treatment of the business income of tax-exempt organizations be articulated with the general treatment of the business income of both incorporated and unincorporated businesses Since we have not yet formulated our views respecting business income which is now taxable, it would be premature to recommend a tax treatment for business income which is now exempt under the various subsections of section 101 relating to tax-exempt organizations

THE IMPORTANCE OF FARMERS' COOPERATIVE ASSOCIATIONS

There are at the present time about 10,150 farmers' cooperative marketing and purchasing associations in active operation in the United States They are for the most part local associations confining their operations to a relatively small area and are controlled by the farmers whom they serve They are spread widely throughout the United States but their operations are of most importance in such States as Minnesota, Wisconsin, Iowa, Illinois, and California These cooperatives have a long history, running back a hundred years or more They grew out of economic necessity Handicapped by their isolation, inadequate knowledge of market conditions, lack of capital and weak bargaining position, farmers sought through cooperative group action, aided by financial and other assistance from the Federal Government, to improve their economic position Today, 1 out of every 3 farmers is said to be a member of at least one cooperative

Although about 94 percent of the farmers' marketing and purchasing cooperatives are small local organizations, there are a number of large-scale regional cooperatives, operating over a larger area than can be served by a local asso-

ciation There are, in addition, a number of federated cooperative associations which serve principally their constituent cooperative organizations

In the 1944–45 marketing season, the ten-thousand-odd farm cooperatives did an aggregate business of over $5 6 billion, the bulk of which represented the marketing of farm products Only about 19 percent of their business involved the purchase of farm supplies At some stage in the marketing process these cooperatives handled 60 percent of the citrus fruits and cranberries, 50 percent of fluid and dried skim milk, 40 percent of the creamery butter and 20 percent of the livestock moving through commercial markets These were their most important fields of operation, but they also handled vegetables, cotton, tobacco, and other products I have appended to my statement a table (table A, p 341), giving detailed information on the amount of business done by the marketing cooperatives in various agricultural commodities The purchasing activities of farm cooperatives are of greatest significance in connection with feed, fertilizer, and automotive fuels and lubricants

A large proportion of the marketing is done by the large regional and federated cooperatives In 1942–43, over 40 percent of the cooperative marketing was handled by 48 associations, each with a business volume of more than $10 million There was a similar concentration in purchasing activities Ten cooperatives, each with an annual business volume of over $10 million, accounted for 35 percent of the cooperative purchasing volume in 1942–43

These facts tend to be substantiated by the Treasury Department's tabulation of information returns filed by tax-exempt farmers' cooperative marketing and purchasing associations for the calendar year 1943 and for fiscal years beginning in 1943 To complete the factual information at your disposal, I have appended to this statement tables (tables B and C, p 342) showing the distribution of these returns by size of gross income and receipts and by size of total assets Subject to the reservations noted in the technical description of these tables, they indicate that although the great majority of tax-exempt farm cooperatives are comparatively small organizations, a large portion of the business done by tax-exempt cooperatives and of the assets held by such organizations is in the hands of a relatively few large organizations A similar situation exists in the case of ordinary corporations

The large-scale cooperatives frequently carry their marketing activities beyond the initial stages, sometimes establishing direct contact with the ultimate consumer To process the agricultural commodities produced by their members they operate creameries, cotton gins, canning plants, flour mills, wineries, and other types of processing establishments Purchasing cooperatives on the other hand sometimes extend their operations to the point of manufacturing the products required by their members and operate feed and fertilizer plants, sawmills, oil refineries, and paint factories In 1943, marketing cooperatives operated nearly 2,800 plants, about two-thirds of which were engaged in processing milk and milk products Cotton gins and canning factories are the other principal types of plants owned by the marketing cooperatives (Table D, p 343) Despite the wartime growth in cooperative canning operations, their economic significance is still small In the canning of such important products as peas, tomatoes, and corn, they account for 1 to 3 percent of the total pack Only in citrus fruit juices, cherries, pears, and berries do they handle as much as 10 percent of the total pack

The purchasing cooperatives operated about 1,700 plants in 1943 The three largest groups of plants, aggregating nearly 1,500, were grain elevators grinding feed, oil wells, and machine repair shops The remaining plants were devoted to a variety of purposes, as listed in table E (p 343), attached to this statement

Much of the criticism of the tax treatment of cooperatives apparently stems from a belief that the operations of cooperative associations have grown at a rapid rate in recent years relative to those of other types of organizations And the conclusion frequently reached is that during these years, when income tax rates have been high, the tax exemption of cooperatives has given them an important advantage over taxable enterprises and is responsible for the difference in growth I consider this aspect of the problem in later portions of my statement, but in passing I want to caution against any sweeping conclusions

In some of the industries where plants operated by cooperatives are of substantial importance, the greatest growth took place before tax rates reached current levels In the processing of milk into butter and cheese, the productive capacity of cooperatives is of long standing Only dry skim milk facilities are of recent origin Most of the expansion in cotton ginning took place during the depression years 1930 to 1940 The greatest relative advance in fertilizer production was

made in 1938–39 and 1940–41 Most of the present feed facilities were constructed or acquired before the high tax period Expansion into petroleum refining, on the other hand, is a new development I have had prepared a table which compares over the years the changes in the volume of marketing operations conducted by cooperatives, with the change in total farm marketing (table F, p 344) These data show that the value of cooperative farm marketing has indeed grown since the prewar years, but it has grown no faster than the total value of all farm marketing In other words, farmers' marketing cooperatives have just about held their own compared with the other types of enterprise marketing agricultural commodities If the entire period since 1930 is taken into account, it appears that marketing cooperatives have been losing some ground to other organizations I am also submitting a similar table covering the operations of cooperative purchasing organizations (table G, p 345) In this area, the share of business done by cooperatives, though small in the aggregate, appears to have increased more or less steadily since 1930, but the greatest relative growth took place during the early part of the period

HOW FARM COOPERATIVES OPERATE

Farm cooperatives exist for the primary purpose of enlarging their members' profits by increasing receipts from the sale of farm products and by lowering the cost of producing farm products They function in diverse ways They lower the cost of farm supplies by purchasing in bulk and taking advantage of trade discounts They protect members against inferior merchandise and assist in the selection of those supplies which are best suited to the needs of particular farms They time their purchases to take advantage of favorable markets and exercise a wider choice in the selection of sources of supply

Marketing cooperatives may increase receipts from the sale of farm products by providing members with more efficient and economical sales services Products may be stored, graded, and further processed to increase their salability Competition among farmers in a particular area may be reduced and their bargaining position in the principal markets for their products improved, trade-marks or trade names may be established and advertised and the quality of products may be improved

The individual member is ordinarily both an investor in and a patron of the cooperative association As an investor in the association, he is promised a limited return on his equity in the association As a patron, he is promised his proportionate share in the savings made possible by his contribution to the pooling of purchases or sales and in any income which the association may derive from its activities However, his share as patron in the success of the cooperative association may or may not be reflected in the size of his patronage dividend at the close of the year The size of the patronage dividend is determined not only by the association's efficiency in buying and selling but by its pricing methods as well

There appear to be three distinct types of pricing policies One is the so-called Rochdale type of pricing policy, under which the cooperative sells to the farmer at going market prices Patronage dividend payments in this case may be said to represent the difference between such prices and the necessary expenses of the association A second type covers situations where, due perhaps to a lack of competition, there may be no clearly established market price, and the prices paid by a marketing association may be more or less arbitrary Final payments to patrons in such cases are an adjustment which does not accurately measure the gain from cooperative buying and selling A third policy is reflected in those cases where a purchasing association sells at cost plus estimated expenses or where a marketing association pays a price based on sales value minus estimated cost of operation Under this policy patronage dividends will be paid infrequently if at all Whatever benefits the patron derives from the association will be reflected currently in the higher prices he receives for his product or the lower prices he pays for his supplies

In practice, it appears that a large proportion of cooperatives return the benefits of cooperation to their members without the use of patronage dividends The prevailing-price-patronage-dividend technique originated among the purchasing cooperatives and has not been universally adopted by marketing associations

The typical marketing cooperative operates under a marketing contract in which the association undertakes to pay the farmer the entire proceeds from the sale of his product less certain deductions for handling expenses and for capital contributions In some cases, the farmer receives the full going price upon de-

livery to the cooperative, but more often he gets only a down payment, the balance to be paid in successive installments as the crop is sold The size of the down payment is determined by custom or by the financial condition of the association and does not represent what the farmer could have received had he sold his product outright to private buyers The sum of the installments represents the net or adjusted price of the product after all or most of the cooperative's expenses have been deducted

The most recent information we have on the extent to which the different price policies are utilized by farm cooperatives is from a study in 1936 About 32 percent of the marketing associations and 54 percent of the purchasing associations in that year reported patronage dividends These figures which are not weighted to the volume of business are not conclusive, however, because they do not give sufficient weight to the large associations

PRESENT TAX TREATMENT

The present tax treatment of farm cooperatives has been in effect since the early years of the Federal income tax Express statutory exemption from income tax was granted, under certain conditions, to marketing associations in 1916 and to purchasing associations in 1921 In the Revenue Act of 1926, Congress incorporated various administrative rulings which had previously been promulgated into statutory law and at the same time established clear-cut tests of eligibility for the exemption These statutory provisions have remained virtually intact to the present day

Although there is no express statutory provision for the exclusion of patronage dividends from the income of the cooperatives, the Treasury and the courts have interpreted the law as permitting cooperatives to exclude or deduct from their taxable income patronage dividends or refunds paid in accordance with a contractual or other definite obligation

I would like now to turn to a more detailed consideration of the two aspects of the present tax treatment accorded farm cooperatives exemption of income and exclusion of patronage dividends

TAX EXEMPTION

The eligibility of farmers' cooperative associations for income tax exemption is conditioned on their being organized and operated on a cooperative basis It is further restricted to those which either (*a*) market the products of members or other producers and return to them the proceeds of sales less necessary marketing expense on the basis of the quantity or value of the products furnished, or (*b*) purchase supplies and equipment for their members or others at cost plus necessary expenses

The statutes and regulations require, in the case of both marketing and purchasing associations, that there shall be no discrimination between members and nonmembers in the refund of net proceeds In other words, the members of exempt cooperatives are not allowed to make a profit out of the business done with nonmembers Moreover, the statute specifically provides that the exemption shall be lost if less than half of the association's marketing or purchasing is for the account of its members Purchasing associations lose their exemption if more than 15 percent of their purchases are for persons who are neither members nor producers

The methods of financing open to exempt cooperatives are also prescribed If capital is raised by the sale of stock, substantially all the stock must be held by farmers Moreover, dividend rates must be limited to no more than 8 percent or the legal rate of interest in the State of incorporation, whichever is greater In other words, in order to enjoy tax exemption, cooperative associations must be controlled by their farmer patrons and must do most of their business with them

If the exemption were repealed, exempt cooperatives would lose certain benefits They would become subject to tax on income used to pay dividends on capital stock, on income retained in certain reserves, and on their nonoperating income

The best information that we have indicates that most cooperatives were organized with capital stock, but there appears to be a tendency toward the nonstock type of association Although the exemption statute permits cooperatives to pay a higher rate of interest, the rate actually paid on the average today is probably between 3 and 5 percent In the absence of the exemption, that portion of the net earnings which cooperatives distribute to their stockholders as dividends on stock would be taxable as income of the association

Cooperatives accumulate reserves in two ways (1) by retaining part or all of their net cash proceeds and issuing, in fulfillment of their obligations, noncash patronage dividends, and (2) by retaining a part of their annual net proceeds as reserves before computing the amounts which must be returned as patronage dividends Under a recent court decision, exempt cooperatives are required to allocate on their books to current-year patrons pro rata shares in such reserves, so that member patrons will not gain at the expense of nonmember patrons upon dissolution of the association However, the mere fact of allocation does not make such reserves equivalent to noncash patronage dividends, and the Bureau of Internal Revenue has continued to distinguish between allocated reserves and noncash patronage dividends

Noncash patronage dividends are not taxable to either exempt or nonexempt cooperatives However, the patronage dividends, whether in cash or not, do enter into the taxable incomes of patrons Under the exemption, eligible cooperatives pay no tax on income retained as allocated reserves, and, in the absence of the exemption, such income would be taxable to the cooperative With or without the exemption, income retained as reserves would not be taxable to patrons

Reserves are set up for a variety of purposes Section 101 (12) expressly permits exempt cooperatives to accumulate the general contingency reserves which cooperatives are required to build up by provisions of most State laws Additions to such reserves are sometimes limited by the State statutes to a percentage of the net margin for the year, and usually the total reserve which must be accumulated is limited to a percentage of total capitalization

In addition to the mandatory general reserves, cooperatives are also allowed to accumulate reserves for specific purposes In practice, reasonable and necessary nonmandatory reserves appear to be of two distinct types

First There are specific contingency reserves, that is, reserves for foreseeable losses or expenses which are properly chargeable in whole or in part to the current accounting period

Second There are "reasonable and necessary" reserves for expansion purposes The regulations provide that—

"the accumulation and maintenance of a reserve * * * to provide for the erection of buildings and facilities required in the business or for the purchase and installment of machinery and equipment or to retire indebtedness incurred for such purposes will not destroy the exemption"

Consequently, it is possible under existing law for an exempt cooperative association to reinvest a substantial portion of its earnings and plant and equipment without either the association or the patron being taxable thereon

The exemption statute contains other advantages for cooperatives in addition to allowing tax-free reserve accumulations and payments on capital stock Their nonoperating income, such as interest on bank deposits or on investments, dividends, and capital gains, escapes taxation However, the amounts of such income are small Certain additional advantages grow out of special treatment accorded income derived from buying or selling commodities on behalf of the United States Government and from the handling of nonfarm products marketed in small quantities where such items are essential to the efficient operation of the exempt cooperative or the handling of products purchased for the purpose of fulfilling delivery contracts or for other emergency purposes

I have indicated the advantages which tax exemption bestows on farm cooperatives It should be noted, however, that the exemption involves certain disadvantages for cooperatives This may explain why only about half of the farm cooperatives attempt to meet the statutory requirements One of the most important disadvantages is the requirement that exempt associations must not discriminate against nonmembers in paying patronage dividends Another disadvantage in the case of marketing cooperatives is the prohibition against dealing with nonproducers Similarly, the restriction of nonfarmer purchasing to 15 percent of total purchasing has been said to act as a limitation on the growth and expansion of some of the most successful cooperative units

PATRONAGE DIVIDEND EXCLUSION

Under present law, farm cooperative associations are authorized to exclude patronage dividends from gross income This, however, is not the exclusive privilege of cooperative associations The privilege is available to any corporation which makes payments to its customers under the conditions prescribed by the Commissioner of Internal Revenue and the courts It should be noted, how-

ever, that in the case of cooperatives, unlike the case of the typical ordinary corporation, patrons receiving rebates are also the owners of the business.

The conditions under which cooperative associations are permitted to exclude from their gross income refunds made to their patrons can be briefly summarized. First, there must have existed at the time of the transaction with the patrons a contractual or other definite obligation on the part of the cooperative to return any net proceeds to him in proportion to patronage without further corporate action. Second, if only members of the association are eligible to receive patronage dividends exclusion is not allowed on that portion of such distribution which represents profits from transactions with nonmembers. It is immaterial whether refunds are distributed in the form of cash, stock, certificates of indebtedness, or credit notices. All such forms of payment are regarded as the equivalent of cash distributions in the hands of patrons, the theory being that they are cash payments automatically reinvested under provisions of the charter, bylaws, or other contracts previously agreed to by the patrons.

The benefits that farm cooperatives derive from the exclusion of patronage dividends from their taxable incomes depend on the nature of these payments. To the extent that patronage dividends represent the owner-patron's share in the association's net operating margin, the exclusion gives cooperatives the advantages of the partnership treatment. It frees them of the so-called double taxation imposed on the distributed income of ordinary corporations. To the extent, however, that patronage dividends represent nonincome elements—items analogous to selling expenses of ordinary businesses or evidences of capital contributions of patrons—their exclusion from the taxable income of the cooperatives confers no special tax advantage. In view of the problems involved in separating patronage dividends into their components, it is difficult to appraise in quantitative terms the benefit of this exclusion.

ANALYSIS OF PRESENT TREATMENT

The present tax treatment of farm cooperatives has been criticized, particularly as it affects the competitive position of the cooperatives. The main import of the criticism is that the complete or virtual exemption of farm cooperatives from income tax has given these associations an unfair competitive advantage over their corporate competitors. It is contended that, as a result of their more favorable tax treatment, cooperatives have been able to pay larger refunds and so attract more patronage than they could otherwise command, also that, by retaining a larger percentage of their earnings, they have been able to expand more rapidly than would be possible if their income were fully taxable.

The cooperatives deny that their favorable tax status has had any material effect upon their volume of business. They contend that any advantages they enjoy over ordinary business firms, either as buyers of farm products or as sellers of farm supplies, flow from the cooperative nature of their enterprise.

The role of tax exemption in the competitive position of cooperatives is difficult to appraise. Cooperatives do not appear to have used their tax immunity as an instrument of price warfare. It would be difficult for them to do so, since the more they cut prices, the smaller is their economic income and, consequently, the worth of their tax advantage. Where both cooperatives and their corporate competitors sell at cost, the tax advantage entirely disappears. Moreover, there are indications that in many markets where cooperative associations compete most directly with ordinary corporations they make no attempt to outbid their competitors, as a general rule they charge the same prices. On the other hand, it is undoubtedly true that the prospect of patronage dividends has been a significant factor in building up the membership of farm cooperatives. To the extent that the special tax status of cooperative associations has permitted payment of larger patronage dividends, it may have been a factor in the growth of their membership. In this connection, however, the cooperatives argue that patronage dividends are used mainly as a matter of convenience and that the same results could be closely approximated by other methods of sharing benefits which do not depend on the exemption or exclusion.

The charge that, as a result of their favored tax status, farm cooperatives have been able to expand more rapidly out of earnings than their corporate competitors, and that they have been able to plow back earnings to finance acquisition of plant and equipment, has been strongly pressed in recent years.

The cooperatives contend that noncash patronage dividends are not analogous to the retained earnings of ordinary corporations, that they represent the patrons'

capital contribution to the enterprise They also contend that any tax advantage which they may enjoy as the result of the exclusion of their retained net proceeds from gross income merely serves to offset their great disadvantages in obtaining equity capital Since dividends on their stock are limited, cooperative associations cannot issue any securities which compare with the common stock of an ordinary corporation Moreover, the market for the type of securities they can issue is small, composed largely of farmers who, at least prior to the war, had always been a poor source of equity capital

In the current discussion of the tax advantage enjoyed by cooperatives, much emphasis is placed on the alleged rapid growth of these associations in recent years Data contained in the Treasury's study, which I summarized in the early part of my statement, indicate that while the dollar volume of business done by farm cooperatives increased more than two and one-half times since 1939, the cooperatives as a whole do not appear to have expanded their relative share of the market at the farm level From 1936 to 1941 the trend was downward In 1941, 1942, and 1943, the share of cooperative marketing was actually less than in the period 1935–39, and did not reach the 1935–39 level until 1944

FARMERS' COOPERATIVES IN CANADA AND GREAT BRITAIN

By way of comparison with our treatment, the committee might be interested in the tax procedure adopted by Canada and Great Britain

Farmers' cooperatives in Canada are similar to those of the United States in many significant respects, including their relative economic status The bulk of their business is in the marketing sphere, farmer participation is roughly comparable, and the cooperatives' over-all share in the market is about the same in the two markets With the exception of large western grain and seed associations (western wheat pools), these cooperatives conform in size and activity to those in the United States The marketing cooperatives are estimated to have handled about one-fourth of the principal farm products entering into commercial trade channels

Until last year, the Canadian tax treatment of farm cooperatives was more or less the same as ours As in the United States, considerable public discussion developed as to the most desirable tax treatment of such cooperatives A royal commission was appointed late in 1944 to look into the problem and to make recommendations About a year later, a report was rendered, and in 1946 the Canadian Parliament revised the tax treatment of cooperatives

The principal recommendations of the commission were—

(1) To allow all business enterprises a deduction from income for patronage dividends, paid in cash or its equivalent within a limited period after the close of the year, provided patronage payments are made to members and nonmembers alike, and

(2) To grant tax exemption to newly organized cooperatives for the first 3 years

The Canadian Government accepted these recommendations of the commission, but felt that no company or association should be permitted through the payment of patronage dividends to reduce its taxable income to an amount below a reasonable return on the capital invested in the business Accordingly, the legislation provided that patronage dividends may not reduce taxable income below an amount equivalent to 3 percent of the total capital invested in the enterprise including borrowed capital, less the interest paid on borrowed capital That, in essence, is the treatment accorded all associations, including farmers' cooperatives under Canadian law today

The British cooperative movement has developed principally in urban centers in the form of purchasing associations Farmers' cooperatives developed much later, and consistent with the relatively minor importance of agriculture in the British economy, represented a small segment of the cooperative movement It has been estimated that prior to the war farmers' cooperatives in Great Britain served one farm in every four The activity of British farm cooperatives is more or less evenly divided between purchasing and marketing, both as to number and the volume of business

The British treatment of cooperatives is in form similar to our tax treatment of nonexempt cooperatives That is to say, they are subject to tax in the same manner as ordinary corporations In computing taxable income, they are permitted to deduct any discounts, rebates, or dividends paid to members or other persons, provided such payments are based upon their transactions with the cooperative and not by reference to their share or interest in the capital of the

company In other words patronage refunds are exempt from tax, while ordinary dividends on capital are taxed However, it should be noted that the tax on corporations in Great Britain is in the nature of a withholding tax, so that the cooperative as such bears a tax burden only with respect to undistributed earnings

SUGGESTIONS WHICH HAVE BEEN MADE FOR TAX REVISION

In the course of the discussion of farm cooperatives, several possibilities for revising the present tax treatment have been advanced However, among those who believe that farm cooperatives might be more heavily taxed, there is no agreement on how this should be accomplished

Some would merely repeal the exemption Others would require the inclusion of all patronage dividends in the gross income of the association, others would continue the exclusion of patronage dividends but would require the inclusion of noncash patronage dividends Still others would subject these organizations to a special tax in lieu of the income tax I shall now describe some of these alternatives and indicate how they might operate

REPEAL PRESENT EXEMPTION

It has been suggested that there is no basis for the present exemption of farm cooperatives and that it should be terminated Those holding this view say that cooperatives perform the same economic function as ordinary companies, that they are organized as corporations with the same powers and obligations as ordinary corporations, and that they are organized and operated for the purpose of making profit

These antiexemption views have to be balanced against the contention that cooperative associations operate in the public interest, that they are not profit-making institutions, and that they are more nearly analogous to partnerships than to ordinary corporations

Advocates of continued exemption maintain that the special tax treatment accorded farm cooperatives is a return for services rendered to the public, that in improving the economic conditions of farmers and in raising the grade and quality of products for public consumption, farm cooperatives have made substantial contributions to the general welfare

They contend further that farm cooperatives should be differentiated from ordinary corporations because it is both their intent and practice to do business at cost

They add that, despite the fact that cooperative associations are in legal form corporations, they more nearly resemble partnerships than ordinary corporations The application of the corporation income tax to cooperatives would result in an undesirable extension of the area of so-called double taxation of business income at a time when many believe that the existing double taxation of distributed profits of ordinary corporations should be reduced or eliminated

Continued exemption of cooperatives has also been defended by the contention that the amount of revenue involved is not large enough to justify the trouble and expense of its collection So long as no attempt is made to tax patronage dividends, the Government would gain little from repeal of the exemption This is countered by pointing out that most tax-exempt organizations, including cooperatives, are now required to file annual information returns (Form 990), and that the recent tabulation of these returns by the Bureau of Internal Revenue shows that, while the revenue involved may be small in relation to total Federal revenue, it is not negligible In this connection, I might add that our rough estimates indicate that for 1943 the 5,600 exempt cooperatives, in the absence of the exemption, would have paid between $10 million and $20 million in taxes on earnings devoted to dividends on stock and reserves

In my view, the issue involved in the proposal to repeal the exemption hinges on the question whether farm cooperative associations perform services of such great value to the public that they should be relieved of the tax burdens imposed on other corporate entities This is not an easy issue to resolve While farm cooperatives are operated primarily in the interest of their farmer patrons, they have undoubtedly contributed to the general welfare However, there are few businesses which could not make some claim to having served public as well as private interest

I believe that the presumption is always against any tax exemption and in favor of uniform taxation An exemption can be justified only by a clear preponderance of evidence in favor of the social desirability of the objective and the effectiveness of the exemption in promoting desirable ends without undesirable collateral effects In addition, in deciding whether the exemption should be repealed or retained, considerations of revenue and equity must be weighed against the advantages which it affords to the economy as a whole

Short of full repeal, it has been suggested that the exemption should be confined to small local cooperatives This, however, would raise a difficult problem of fairly determining eligibility for the exemption The definition of a "small" cooperative is a matter of judgment, and any statutory or administrative definition would have to be essentially arbitrary Moreover, particular cooperatives might move in and out of the exempt area because of year-to-year fluctuations in business or membership Large cooperatives might split into several small units to qualify for the exemption These are some of the considerations which argue against classification on the basis of size

Another possible way of revising the present tax treatment of farmers' cooperatives would confine the exemption to local cooperatives dealing directly with individual farmers The exemption would be eliminated for federated or centralized regional cooperatives that have members other than individual farmers Such farmers' cooperatives would be granted no special exemption

TERMINATE THE EXCLUSION OF ALL PATRONAGE DIVIDENDS

It has also been suggested that the exclusion of patronage dividends from the gross income be discontinued This proposal has been criticized on several grounds First, that patronage dividends are price rebates and as such do not constitute income to the cooperative association within the meaning of the sixteenth amendment, second, that cooperatives are acting merely as agents of patrons and have no interest in the net proceeds of their operations, and third, that even if patronage dividends could be constitutionally taxed to the cooperatives, they should not be so taxed because it is impossible to determine to what extent they represent distributions of income

I will not comment on the argument of constitutionality beyond noting that it has been used by both sides and is not likely to be finally decided unless Congress specifically presents it to the courts by discontinuing the exclusion

A successfully operated farm cooperative will ordinarily produce some economic income over a period of years, especially if it uses any significant amount of capital and assumes any significant degree of risk It does not necessarily follow that this economic income should be taxed to the cooperative, as distinguished from its patrons and members

For sundry reasons, it would be difficult to employ patronage dividends as the base for the assessment of income tax on cooperatives Patronage dividends do not measure the economic income produced by cooperatives Many cooperatives so conduct their business that no patronage dividends are needed to return benefits to patrons In other cases, patronage dividends overstate the income earned by cooperatives because they merely take the place of special services, such as free delivery and credit, which would give rise to allowable cost deductions in the case of ordinary businesses In still other cases, marketing cooperatives deliberately set prices below those paid on the market, or purchasing cooperatives set prices charged above the market, in order to accumulate capital In these cases, patronage dividends are paid in noncash form as evidence of patrons' capital contributions and do not represent solely the economic income produced by the cooperative

Moreover, the success of the cooperative association is not measured in terms of its own income, or of the size of its patronage dividends Therefore, the inclusion of patronage dividends in the gross income of the cooperatives might merely induce more of the associations to set their prices so as to minimize their patronage dividends These considerations make it impracticable to estimate the revenue effect of terminating the exclusion of patronage dividends from gross income

TAX NONCASH PATRONAGE DIVIDENDS

Some recommend that the exclusion of cash patronage dividends be continued but that cooperative associations be required to include in their gross income patronage dividends paid in scrip or other noncash forms Those who favor this approach argue that most patrons have little real choice as to the form in which they receive their patronage dividends, and that noncash patronage dividends cannot be readily converted into cash They conclude that these payments therefore cannot be regarded as true rebates but should be considered a part of the income of the cooperative Dissenters from this conclusion emphasize that membership in a cooperative is voluntary and that members actively participate in decisions with respect to payment of patronage dividends

If noncash patronage dividends were included in the taxable income of cooperatives, while cash patronage dividends were excluded, most of the associations might still be able to build up substantial amounts of capital out of earnings not taxed to the association This could be done by such devices as giving patrons the option to receive cash or stock, which would probably be held by the courts to be equivalent to a cash distribution and hence excludable It would also be possible for many cooperatives to make wider use of direct assessments on patrons in proportion to cash patronage dividends received

TREAT FARM COOPERATIVES LIKE PARTNERSHIPS

Some have recommended that the present exemption for farmers' cooperatives be eliminated and that the income of the cooperatives be made taxable to the individual patrons in the same way that the income of partnerships, whether or not distributed, is now taxable to the partners This would involve the allocation and taxation of the income retained as reserves to the patrons It would eliminate the favorable treatment which is not accorded farmers' cooperatives by comparison with partnerships by taxing as income to the patrons not merely the patrons' dividends but also the income retained by the cooperative It has also been suggested that to make this treatment effective it would be necessary to require the cooperatives to file information returns indicating the amounts of income allocated to each of the patrons

IMPOSITION OF SPECIAL TAXES IN LIEU OF INCOME TAX

The difficulties that would be encountered in attempting to include patronage dividends of farm cooperatives in the corporation income tax base has led to the suggestion that it might be well to abandon the thought of taxing them under the income tax and to subject them to another type of tax instead

One such alternative would be a tax based on gross receipts or sales The burden imposed by a gross receipts tax would bear no necessary relationship to income The amount of net income earned on a dollar of gross sales varies widely among manufacturers, wholesalers, and retailers in different lines and among firms in the same line

Another alternative would be to assess the tax on the basis of invested capital As in the case of a gross receipts tax, the selection of a rate that would approximate a tax on net income would be difficult, if not impossible Moreover, a tax on invested capital would bear more heavily on weak cooperatives than on strong and successful associations Also, as experience under the excess profits tax has shown, the valuation of invested capital is always a complex problem difficult to solve under the best circumstances

This brief summary of some possible alternative ways of taxing farm cooperatives indicates, I think, that the choice is not an easy one to make The basic questions at issue are (1) whether the income of cooperatives should be taxed in a manner more nearly comparable with the taxation of the income of ordinary corporations, or whether the income should be taxed mainly or exclusively at the individual level, as in the case of partnership income, and (2) whether as a matter of public policy farmers' cooperatives perform functions which should be encouraged by special tax treatment

TABLE A.—*Farmers' marketing and purchasing cooperative associations*[1] *in the United States, 1944–45 marketing season*[2]

Type of association	Number of associations		Estimated membership[3]		Estimated business[4]	
	Number	Percent	Number (in thousands)	Percent	Value (in millions of dollars)	Percent
Marketing						
Cotton and products	530	5.2	286	5.9	$178	3.2
Dairy products	2,214	21.8	726	16.1	1,294	22.9
Fruits and vegetables	916	9.0	162	3.6	784	13.9
Grain, dry beans, rice	2,285	22.5	484	10.8	1,286	22.8
Livestock	661	6.5	695	15.4	730	12.9
Nuts	46	.5	47	1.0	200	3.5
Poultry and eggs	160	1.6	131	2.0	225	4.0
Tobacco	12	.1	122	2.7	27	.5
Wool and mohair	130	1.3	123	2.7	85	.6
Miscellaneous	446	4.4	140	3.1	76	1.3
Total marketing	7,400	72.9	2,896	64.2	[5] 4,835	85.6
Purchasing	2,750	27.1	1,610	35.8	[5] 810	14.4
Total marketing and purchasing	10,150	100.0	4,506	100.0	5,645	100.0

Source.—U. S. Department of Agriculture, Farm Credit Administration, Cooperative Research and Service Division, mimeograph.

[1] Includes independent local associations, federations, large-scale centralized associations, sales agencies, independent service-rendering associations, and subsidiaries whose businesses are distinct from those of the parent organizations.

[2] A marketing season includes the period during which the farm products of a specified year are moved into channels of trade. Marketing seasons overlap.

[3] Includes members, contract members and shareholders, but does not include patrons not in these categories.

[4] Includes the value of commodities for which associations render essential services, either in marketing or purchasing and the value of commodities sold by associations whether on a commission or a brokerage basis, and also some intraassociation transactions.

[5] After making adjustment for the purchasing business of marketing associations and the marketing business of purchasing associations, it is estimated that the total purchasing business was approximately $1,095 million and the total marketing, $4,550 million.

TABLES B AND C. DISTRIBUTION OF RETURNS OF TAX-EXEMPT FARMERS' COOPERATIVE MARKETING AND PURCHASING ASSOCIATIONS BY SIZE OF GROSS INCOME AND RECEIPTS, AND BY SIZE OF TOTAL ASSETS, 1943

These tables show available information on the size distribution of tax exempt farmers' cooperative marketing and purchasing associations. They are based on tabulations of information from 4,397 returns of such organizations filed on Form 990 for the calendar year 1943 or for fiscal years beginning in 1943. These 4,397 returns include all returns received in the Bureau of Internal Revenue through December 31, 1944. They do not include the 1,198 returns of tax-exempt farmers' cooperative marketing and purchasing associations received in the Bureau of Internal Revenue between December 31, 1944, and September 1, 1945. Among these latter returns only those of organizations with total gross income and receipts in excess of $50,000 were tabulated by size groups, and they are not included in the tables. Information drawn from the returns of tax exempt farmers' cooperatives and other tax-exempt organizations was published by the Treasury Department, November 1, 1945, as a Supplement to Statistics of Income for 1943, Part 2.

In using the data presented in tables B and C, it should be remembered that it is impossible to say how complete their coverage is. Although it is believed that most organizations required to file an information return did so, it is not possible at this time to determine how many cooperatives may have failed to file a return for 1943. Furthermore, it is not certain how the distributions shown in tables B and C would have been affected if it had been possible to include

returns not received in the Bureau of Internal Revenue until after December 31, 1944 Finally, it is not known whether the size distribution of taxable farmers' cooperatives differs significantly from that of the tax-exempt organizations It has not been possible to separate the tax returns of taxable farm cooperatives from those of ordinary corporations

TABLE B —*Distribution of returns of tax-exempt farmers' cooperative marketing and purchasing associations by size of gross income and receipts, 1943*

[Returns received in the Bureau of Internal Revenue through Dec 31, 1944]

Gross income and receipts classes	Number of returns			Gross income and receipts		
	Number	Percentage	Percentage cumulated	Amount (thousands)	Percentage	Percentage cumulated
Under $500	209	4 8	4.8	$43	(1)	(1)
$500 to $1 000	90	2 0	0 8	65	(1)	(1)
$1,000 to $2 500	89	2.0	8 8	146	(1)	(1)
$2,500 to $5 000	88	2 0	10 8	317	(1)	(1)
$5,000 to $10 000	110	2 7	13 5	851	(1)	0 1
$10 000 to $15,000	90	2 0	15 5	1,094	(1)	1
$15 000 to $25 000	132	3 0	18 5	2 661	0 1	2
$25,000 to $50 000	408	0 3	27 8	15 208	7	9
$50 000 to $100 000	648	14 7	42 5	48,194	2 2	3 1
$100 000 to $250,000	1 058	24 1	60 6	174 233	7 8	10 9
$250,000 to $500 000	724	16 5	83 1	250 009	11 5	22 3
$500,000 to $1,000 000	420	9 6	92.7	288 514	12.9	35 2
$1 000 000 to $5,000,000	209	6 1	98 8	539 395	24 2	50 4
$5,000 000 and over	53	1 2	100 0	907,173	40.6	100 0
Total	4 307	100 0		2,233,904	100 0	

Source —Supplement to Statistics of Income for 1943, pt 2

[1] Less than 0 05 percent

TABLE C —*Distribution of returns of tax-exempt farmers' cooperative marketing and purchasing associations filing balance sheets, by asset classes, 1943*

[Returns received in the Bureau of Internal Revenue through Dec 31, 1944]

Total assets classes	Number of returns			Total assets		
	Number	Percentage	Percentage cumulated	Amount (thousands)	Percentage	Percentage cumulated
Under $1,000	67	2 3	2 3	$25	(1)	(1)
$1,000 to $5,000	126	4 3	6 6	348	0 1	0 1
$5,000 to $10,000	122	4 2	10 8	983	2	3
$10,000 to $15,000	166	5 7	10 5	2,104	4	7
$15,000 to $25,000	401	13 8	30 3	8,021	1 6	2 3
$25,000 to $50,000	811	27 9	58 2	29,509	6 0	8 4
$50,000 to $100,000	601	20.7	78 9	41,834	8 6	16 9
$100,000 to $250 000	381	13 1	92 0	58,294	11 9	28 8
$250 000 to $500,000	103	3 5	95 5	34,328	7 0	35 9
$500 000 to $1 000,000	64	2 2	97 7	45 688	9 3	45 2
$1,000,000 to $5,000,000	51	1 8	99 5	104 871	21 4	66 7
$5,000 000 to $10,000 000	9	3	99 8	66 002	13 5	80.1
$10,000,000 to $50,000,000	7	2	100 0	97 087	19 9	100 0
Total	2,909	100 0		489 044	100 0	

Source —Supplement to Statistics of Income for 1943, pt 2

[1] Less than 0 05 percent.

TABLE D.—*Cooperative plants for processing farm products, Dec. 31, 1943*

Type of plant	Number of plants	Percent of total cooperative product processing plants
1 Creameries	1,353	49
2 Cheese factories	531	19
3 Cotton gins	407	15
4 Canneries, dehydrating plants (fruits and vegetables)	190	7
5 Dehydrating plants (milk)	172	6
6 Flour and cereal mills	18	1
7 Wineries	16	1
8 Sugar mills and honey plants	15	1
9 Nut processing and packaging plants	14	1
10 All other	44	2
Total	2,761	100

Source.—Trends in Farmer Cooperation. News for Farmer Cooperatives (U. S. Department of Agriculture, Farm Credit Administration), February 1944.

TABLE E.—*Cooperative plants for farm supply requirements, Dec. 1, 1943*

Type of plant	Number of plants	Percent of total cooperative farm supply plants
1 Farmers' elevators grinding feed	1,000	60
2 Oil wells	350	21
3 Machine repair shops	100	6
4 Feed mills	57	3
5 Fertilizer plants	40	2
6 Seed cleaning plants	40	2
7 Chick hatcheries	32	2
8 Lubricating oil and grease compounding plants	11	1
9 Refineries	9	1
10 Sawmills	8	1
11 Farm machinery plants	7	(1)
12 Insecticide plants	6	(1)
13 Paint factories	5	(1)
14 Serum laboratories	4	(1)
Total	1,670	100

Source.—Trends in Farmer Cooperation, News for Farmer Cooperatives (U. S. Department of Agriculture, Farm Credit Administration), February 1944, p. 4.

[1] Less than 0.5 percent.

TABLES F AND G. RELATIVE GROWTH OF COOPERATIVE MARKETING AND PURCHASING ASSOCIATIONS, 1935–43

SOURCES OF DATA AND THEIR LIMITATIONS

The value of products marketed by cooperatives (valued at the farm level) is closely approximated by the series on the dollar volume of business of cooperatives computed by the Farm Credit Administration. This, however, is not altogether true in the case of processed products, which include the value of the raw product to the producer, together with handling and processing expenses. Limited amounts of service charges at terminal markets are included in some instances. The Farm Credit Administration estimates are based on financial statements and other reports from associations. Duplications resulting from interorganization turnover are eliminated insofar as possible. Inclusion of such handling and processing expenses, however, impairs the usefulness of the index only to the extent that there has been a significant change in the relative importance of these expenses. Total farm sale proceeds may be represented by the series on cash receipts from farm marketings, compiled by the Bureau of Agricultural Economics.

There are, however, certain limitations of these data when used for the purposes of measuring relative growth of cooperatives In the first place, the results apply to cooperatives as a whole whereas ideally it would also be advisable to have data on the basis of individual commodities (and even on various regions so that any specific area of rapid growth or decline could be distinguished) In the second place, the two primary series are not strictly comparable The cash marketing series reflects the influence of a number of commodities, notably hay, not handled to any extent by cooperatives Moreover, the bulk of cooperative marketing is concentrated in a relatively few commodities, some of which are less heavily weighted proportionately in the cash receipts index Nevertheless, for a study such as this one, where the interest is primarily in broad trends, it is believed that sufficiently reliable results can be obtained

Another difficulty arises from the fact that the data compiled by the Farm Credit Administration are presented in terms of marketing seasons which spread over portions of 2 years, whereas the cash receipts totals are on a calendar year basis For purposes of these tables, the first year of a given marketing season has been taken as the link to the other series (i e , marketing season 1943–44 corresponds to calendar year 1943) [1]

Measurement of the relative growth in cooperative purchasing at the farm level also involves certain difficulties There is no series on the total volume of farm purchases It is known, however, that the principal products handled by cooperatives are feed, fertilizer, and gasoline, oil and other automotive supplies [2] Annual totals of farm expenditures on these items are published by the Department of Agriculture

While an index based on these totals is perhaps the best available, it obviously suffers from a very serious limitation, arising out of its implicit overweighting of feed and underweighting of gasoline, oil, etc , as compared with the index of cooperative purchasing [3] Since changes in the value of feed expenditures by farmers were substantial, the effect may be to understate any uptrend in the adjusted index [4]

TABLE F — *Relative growth of cooperative marketing, 1930–44*

[Base all indexes, 1935–39]

Year	Index of cooperative farm marketing (1)	Index of total cash receipts from farm marketing (2)	Index of relative growth of cooperative marketing (column 1 ÷ column 2) (3)	Year	Index of cooperative farm marketing (1)	Index of total cash receipts from farm marketing (2)	Index of relative growth of cooperative marketing (column 1 ÷ column 2) (3)
1930	126	113	112	1938	97	96	101
1931	100	80	125	1939	94	99	95
1932	69	59	117	1940	105	105	100
1933	70	67	104	1941	129	140	92
1934	77	70	97	1942	174	192	91
1935	88	89	99	1943	239	243	98
1936	108	105	103	1944	262	248	106
1937	113	111	102				

Source —U S Department of Agriculture Farm Credit Administration and Bureau of Agricultural Economics.

[1] There is less error in this procedure than in the opposite approach since about 90 percent of the returns submitted to the FCA are on a calendar rather than fiscal year basis

[2] In 1936, these products accounted for about 60 percent of total purchasing by all cooperatives (Statistical Handbook of Farmers Cooperatives, p 94) A study of 16 large regional cooperatives in 1944 showed that the proportion for these organizations was nearly 85 percent, but recent figures reflect wartime shortages of many other items customarily handled by cooperatives

[3] Moreover, the data on expenditures for the operation of motor vehicles are not strictly comparable with cooperative purchase of motor-vehicle supplies The former includes such things as cost of registration, insurance expenses, and labor for repairs In addition, only 40 percent of the cost of operating automobiles is included

[4] On the other hand construction of an aggregate index for feed, gas, and oil, and fertilizer with weights of 5, 3, and 1, respectively, and 4 2, and 1, did not produce noticeably different results

TABLE G —*Relative growth of cooperative purchasing, 1930–44*

[Base all indexes, 1935–39]

Year	Index of cooperative farm purchasing (1)	Index of farm expenditures on feed, fertilizer, and operation vehicles [1] (2)	Index of relative growth of cooperative purchasing (column 1 ÷ column 2) (3)	Year	Index of cooperative farm purchasing (1)	Index of farm expenditures on feed, fertilizer and operation vehicles [1] (2)	Index of relative growth of cooperative purchasing (column 1 ÷ column 2) (3)
1930	56	114	49	1938	108	94	115
1931	47	77	61	1939	116	109	106
1932	37	62	60	1940	117	119	98
1933	39	67	58	1941	155	145	107
1934	48	80	60	1942	194	187	104
1935	82	82	100	1043	262	241	109
1936	81	102	79	1944	284	244	116
1937	114	113	101				

Source —U S Department of Agriculture Farm Credit Administration and Bureau of Agricultural Economics.

[1] Operation of motor vehicles includes expenditures for gasoline, oil, tires, and labor for repairing tractors, and gasoline, oil tires, and replacement parts, labor for repairs, registration fees and insurances for automobiles and trucks Only 40 percent of the total operating costs of automobiles is included as a production expense

Exhibit 33 —Letter of Under Secretary of the Treasury Wiggins, February 26, 1948, transmitting, for consideration of the House Ways and Means Committee, a list of technical tax legislative revisions

FEBRUARY 26, 1948

MY DEAR MR CHAIRMAN As you know, Secretary Snyder has urged in appearances before your Committee the desirability of undertaking at the earliest possible opportunity the steps necessary to eliminate from the tax structure its inequities and administrative and other defects Under present conditions we cannot safely undertake this year some of the basic structural changes that will ultimately be desirable due to the large losses in revenues they might entail I am confident, however, that we can adopt many revisions which would move in the direction of a much improved postwar tax system

To assist in accomplishing this purpose, there is transmitted herewith, for consideration of your Committee, a list of some of the items which this Department believes desirable to have enacted into law during the present session of the Congress

There is now in course of preparation a further list which I hope to submit to you as soon as it is completed These lists by no means constitute a complete statement of desirable amendments to the tax law They include items with respect to which our consideration and study have progressed sufficiently to enable the Department to make specific and definite recommendations As to many of them, tentative legislative drafts have already been completed In this connection it should be understood that the brief descriptive explanations of the items in the attachment are intended only to present the general outlines of the recommended revisions

In the interest of expeditious legislative action, I am not now suggesting a number of controversial or complex matters which the Department believes need attention These items will require our joint study and consideration before they could be made ready for legislative action I am hopeful that by persistent cooperative work of the technical staffs of the Joint Committee on Internal Revenue Taxation and this Department many of these more controversial and complex items can be disposed of as soon as agreement can be reached on their solution

Sincerely yours,

A L M WIGGINS,
Under Secretary of the Treasury

HONORABLE HAROLD KNUTSON,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, D C

Technical Tax Legislative Revisions Recommended for Enactment in 1948

1 NET OPERATING LOSS DEDUCTION

It is recommended that the present system of a two-year carry-back and a two-year carry-over of net operating losses be revised so as to provide for a one-year carry-back and a five-year carry-over of such losses In connection with this revision, it is also recommended that the present rules with respect to the determination of the amount of the net operating loss and of the carry-over and carry-back be retained, that the rules for determining the applicable law in computing the amount of the loss to be carried over be clarified, and that certain technical errors in the present law be corrected

2 STOCK OPTIONS

It is recommended, where an employer grants to an employee an option to purchase stock, that if the option price is substantially less than the fair market value of the stock at the time the option is granted, the amount of the difference be included in the income of the employee as compensation in the year in which the option is granted In the case of an exercise of the option to purchase stock, the excess of the fair market value at the time of the exercise over the option price (or the fair market value of the stock at the time the option was granted if that is substantially greater than the option price) would be treated as ordinary income to the employee in the year of exercise of the option, but the tax computed on such income would be payable only in the year of disposition (whether by sale, gift, or bequest) of the stock by the employee Moreover, in any case where the option had been held for a period of three years or longer, the tax would be determined by spreading the amount of the income over the period during which the option was held The employer would be permitted in the year in which the option is exercised an expense deduction to the extent of the difference between the option price and the fair market value of the stock at such time, subject to the usual rules applicable to such deductions

3 TAX ON SMALL CORPORATIONS

It is recommended that there be explored the question of whether the tax rate structure with respect to corporations with incomes below $50,000 can be revised so as to substitute for the present notch rate of 53 percent on that portion of the corporate income between $25,000 and $50,000 a more desirable relationship between the lower rates on smaller incomes and the ordinary corporate rate of 38 percent

4 CAPITAL GAINS

(a) It is recommended that the existing loopholes through which short term capital gains may be converted into long term capital gains, and through which fictitious losses are used to offset real gains, be closed by providing, in effect, for (1) nonrecognition of any gain or loss attributable to fluctuations in the market price of securities and commodities which occur during a period when the taxpayer holds both long and short positions in substantially similar commodities and securities, and (2) exclusion of such period from the "holding period" The statutory provisions should be made broad enough to apply to simultaneous long and short positions in different futures of the same commodity and different securities of the same corporation Such a statute would eliminate most of the abuses arising under present law from the use of the short sale device However, experience thereunder may indicate that even broader treatment is necessary to provide adequate protection for the revenue

(b) It is recommended that the provisions of section 117 (f) of the Code, treating amounts received upon retirement of certain securities as capital gains, be made inapplicable to securities which do not meet the requirements of the section at the time of their issuance

(c) It is recommended that in computing the holding period of a capital asset, there be disregarded the holding period of a noncapital asset which is exchanged for such capital asset

5 INCOME OF ESTATES AND TRUSTS

It is recommended that the present treatment of the income of estates and trusts under section 162 of the Code be revised The principal purpose of this revision would be to eliminate the so-called "65-day rule" and "12-month rule" now used in measuring the portion of any distribution by a trust or estate which is to be taxed in the year of distribution to the recipient Under the proposed revision,

distributions would, generally speaking, be taxed to the recipient to the extent of the current year's income of the estate or trust It would also overrule certain Circuit Court decisions treating as income to a beneficiary certain distributions which do not constitute income to the estate or trust

6 WAR LOSS RECOVERIES

It is recommended that the present income tax treatment of war loss recoveries be revised and that there be substituted a rule under which the tax upon recovery of property for which a deduction was taken should be equal to the tax saving that resulted from the related deduction In the interest of administrative simplicity, the recommended revision would also eliminate the present rule requiring all property recovered to be aggregated in determining the tax upon recovery and would provide that recovered property be taken in either at its former adjusted basis or the fair market value, at the election of the taxpayer

7 INCOME FROM ANNUITIES

It is recommended that the present rule, under which three percent of the cost to the taxpayer of an annuity is included in income each year until there has been a tax-free recovery of cost, be replaced by a system under which the taxpayer would be permitted an annual tax-free recovery of cost based upon a proration of the total cost over the expected period of the annuity

8 INCOME FROM PROCEEDS OF LIFE INSURANCE PAID IN INSTALLMENTS

It is recommended that where the proceeds of life insurance paid by reason of the death of the insured are paid in the form of an annuity (whether for a fixed period or for life), the interest element should be taxed annually upon the same basis as in the case of an annuity Under existing law, the entire proceeds have been held by the courts to be exempt even though paid as an annuity

9 POWERS OF APPOINTMENT

It is recommended that the present provisions with respect to the application of the estate and gift tax to powers of appointment be revised in accordance with the provisions of H R 3533 (80th Congress, 1st Session) To the extent possible, it would be desirable to re-examine the provisions of this bill with a view to simplifying its terms Under this revision, the time for tax-free release of powers should be extended to July 1, 1949

10 INCOME OF SURVIVING PARTNERS AND ESTATES OR BENEFICIARIES OF DECEASED PARTNERS

It is recommended that in cases where, under the terms of a partnership agreement, the surviving partners for a period of time pay to the estate or beneficiary of a deceased partner a share in the partnership income, such payments shall not be included in the taxable income of the surviving partners and shall be included in the income of the estate or beneficiary, with a proper adjustment for the estate tax upon the value of the right to such payments in the estate of the deceased partner This recommendation should be applied only to personal service partnerships Under present law, the tax treatment of this type of case is not clear

11 INCOME OF LIFE INSURANCE COMPANIES

It is recommended that the present method of computing the taxable income of life insurance companies under sections 201, 202 and 203 of the Code be revised so as to more clearly and equitably reflect the taxable income of such companies A detailed proposal for carrying this recommendation into effect is now in course of preparation

12 TREATMENT OF INVOLUNTARY CONVERSIONS

It is recommended that the present provisions with respect to the tax treatment of involuntary conversions of property contained in section 112 (f) of the Code be amended to permit the same treatment to apply in the case of acquisitions of property made in anticipation of involuntary conversion or the receipt of proceeds from such conversion At the present time, the provisions of section 112 (f) are, in general, confined to cases where the converted property or its proceeds can be traced into subsequently acquired property

13 CERTAIN DISTRIBUTIONS OF CORPORATE ASSETS

It is recommended that, in order to prevent inequity and tax avoidance upon distribution and sale of corporate assets, the appreciation in value of corporate assets distributed in kind to the stockholders of the corporation be taxed as a gain to the corporation

14 DIVIDENDS RECEIVED CREDIT

(a) It is recommended, with respect to dividends of certain foreign corporations, that the present dividends received credit be extended so as to apply to dividends received by domestic corporations from foreign corporations at least fifty percent of whose gross income is from sources within the United States, the credit would be limited to such portion of the dividends as the domestic income bears to the total corporate income

(b) It is recommended that a technical error in section 15 (a) of the Code, resulting from an amendment to that section by the Revenue Act of 1945, be corrected This error affects the computation of the dividends received credit where the receiving corporation has partially tax-exempt interest

15 PENSION TRUSTS

(a) It is recommended that the period after the close of the taxable year, provided under section 23 (p) (1) (E) of the Code, in which a taxpayer on the accrual basis is deemed to have made a payment on the last day of the taxable year, be extended from 60 days to 75 days

(b) It is recommended, in lieu of the present provision in section 165 (b) of the Code treating certain lump sum distributions of pension trusts as long-term capital gains, that such distributions be treated as ordinary income for the year of payment, and accorded treatment similar to that now provided for compensation earned over a period of time by section 107 of the Code This treatment should also be extended to distributions from nontrusteed annuity plans

(c) It is recommended that the personal liability of a trustee for the estate tax of a deceased beneficiary be made inapplicable in the case of trustees of pension trusts

16 FOREIGN TAX CREDIT FOR ESTATE TAX PURPOSES

It is recommended that there be allowed against the estate tax a credit for foreign estate or inheritance taxes paid in respect of property included in the gross estate, which would be comparable to the foreign tax credit now allowed for income tax purposes

17 PUERTO RICAN ESTATES

It is recommended that in the case of the estate tax imposed upon the estates of citizens of the United States who were residents of Puerto Rico at the time of their deaths, a credit be allowed for the amount of the Puerto Rican estate tax It is also recommended that property located in the United States of citizens of Puerto Rico be made subject to the Federal estate tax in the same manner as property of nonresident aliens

18 INSTALLMENT OBLIGATIONS

It is recommended that where a decedent has elected to report income from installment obligations upon the installment basis provided in section 44 of the Code, a proper allowance for estate tax imposed upon the value of such obligations be allowed to the estate or beneficiary of the decedent who elects to continue to report such income upon the installment basis

19 DEDUCTIONS BY RELATED TAXPAYERS

It is recommended that section 24 (c) of the Code be amended to eliminate a technical error which results in certain cases in the loss of a corporate deduction for compensation or interest payable to the stockholders of the corporation, even though the recipient is required to include such amounts in his taxable income within the limited period specified in this section

20 DEDUCTIONS FOR WORK CLOTHES

It is recommended that the long-established administrative practice of the Bureau of Internal Revenue, with respect to the allowance of deductions for the cost of work clothes, be confirmed by specific legislation disallowing such deductions except as to work clothes which are especially adapted to a particular occupation, and which do not substitute for, or relieve the taxpayer from providing himself with, ordinary working or wearing apparel

21 CORPORATE REORGANIZATIONS

It is recommended that pending a complete study and review of the present law with respect to corporate reorganizations, and without prejudice to any recommendations that might result therefrom, the definition of reorganization under section 112 (g) be amended so as to include within such definition a trans-

fer of substantially all the assets of one corporation to another corporation in exchange solely for voting stock of a corporation owning all of the voting stock of the acquiring corporation This type of reorganization does not appear to differ substantially from the type of reorganization now included in the definition in which the assets of the transferor corporation are transferred in exchange for the stock of the acquiring corporation The transaction also appears to be substantially similar to the case now within the reorganization definition where one corporation acquires all the stock of another corporation in exchange for part of its own stock

22 MORTGAGE FORECLOSURES

It is recommended that the present rules with respect to the income tax treatment of mortgage foreclosures be revised to treat the foreclosure as a recovery of the amount of the indebtedness up to the fair market value of the property at the time of foreclosure, and to treat the final disposition of the property foreclosed as a completion of the transaction This, among other things, would eliminate the holding of the *Midland Life Insurance* case under which the bid price at the foreclosure is used as the measure of taxability Upon final disposition, if the property is sold for less than its fair market value at the time of foreclosure, there would be a further bad debt deduction If sold for more, there would be a bad debt recovery, except that any amount received in excess of the indebtedness would be deemed a capital gain

23 SURTAX ON PERSONAL HOLDING COMPANIES

(a) It is recommended that the present provisions applicable to the liquidation of a personal holding company be amended so as to prevent the imposition of the personal holding company surtax in any case where all the assets of the personal holding company have been distributed in liquidation

(b) It is recommended that the alternative capital gains tax be made inapplicable as an alternative to the personal holding company surtax

(c) It is recommended that the deduction allowed for worthless stock of a subsidiary under section 23 (g) (4) (B) be extended to include a deduction for worthless stock of an operating subsidiary with investment income, even though ten percent or more of its income may be from royalties, rents, dividends, etc

24 FOREIGN TAX CREDIT

(a) It is recommended that the present provision of section 131 (f) (1) of the Code be amended so as to permit a foreign tax credit to a domestic corporation with respect to taxes paid by a foreign subsidiary, even though the domestic corporation owns less than a majority of the voting stock of the foreign corporation, provided that it owns at least twenty percent of the stock of such corporation and provided also that the business of the foreign subsidiary is a direct and integral part of the domestic corporation

(b) It is recommended that a period of limitation of seven years (in lieu of the present shorter period) be allowed to a taxpayer claiming a foreign tax credit, in which to claim an increased credit by reason of an increase in the amount of the foreign tax

25 GOVERNMENT PERSONNEL IN U S POSSESSIONS

It is recommended that the present exemption for earned income under section 251 of the Code be revised so that it will not apply to the salaries of civilian or military personnel of the United States Government stationed in the possessions

26 RECIPROCAL EXEMPTION FOR INTERNATIONAL AIRCRAFT

It is recommended that the income of foreign airlines operating partly within the United States be extended income tax exemption similar to that applicable in the case of foreign shipping corporations under section 231 (d) of the Code This exemption is provided on a reciprocal basis

27 EXTENSION OF BUSINESS BAD DEBT DEDUCTION

It is recommended that a bad debt resulting from an obligation which arose in the course of a taxpayer's business be treated as a business bad debt even though the taxpayer has terminated the business at the time the debt becomes worthless.

28 STATUTE OF LIMITATIONS

It is recommended that the following amendments be adopted with respect to the statute of limitations applicable in certain cases

(a) *Estate tax*—The period of limitations under section 874 be extended to

five years where more than 25 percent of the gross estate has been omitted from the return The present period is three years

(b) *Gift tax*—Section 1016 be amended to extend the period of limitations to five years where the donor has omitted more than 25 percent of the total gifts made in one year The present period is three years

(c) *Waiver by a transferee or fiduciary*—Section 322 be amended to extend the period of limitations for refunds where a waiver of the statute of limitations has been executed by a transferee or fiduciary

(d) *Extension for assessment of deficiencies*—An amendment be made to give the Commissioner additional time in which to assess a deficiency where the taxpayer has filed a claim for refund

(e) *Transferee liability*—The additional time for assessment in the case of a transferee for income tax purposes be limited to cases where the transfer has taken place prior to the expiration of the statute of limitations in the case of the transferor

(f) *Valuation of gifts*—The gift tax provisions be amended to provide that the value of property in respect of which a taxable gift tax return has been filed may not be revised, for the purposes of computing the tax on subsequent gifts, after the expiration of the statute of limitations applicable to a prior gift

29 TECHNICAL ERRORS IN REPEAL OF EXCESS PROFITS TAX IN 1945

(a) It is recommended that for the purposes of the application of section 102 of the Code to fiscal years beginning in 1945 and ending in 1946, the credit under section 26 (e) be properly adjusted

(b) It is recommended that the treatment of installment income from long-term contracts received after the repeal of the excess profits tax be amended to prevent the imposition of normal tax and surtax in addition to the excess profits tax

30 ESTATE TAX DEDUCTION FOR SUPPORT OF DEPENDENTS

It is recommended that the deduction for estate tax purposes for payments made in support of dependents be repealed

31 WITHHOLDING TAXES ON WAGES

It is recommended that a civil penalty be imposed upon employers for failure to make a timely payment of withholding taxes collected from employees

32 CHARITABLE CONTRIBUTIONS

It is recommended that the provisions under the estate, gift and income taxes with respect to gifts made to charities be put upon a comparable basis

33 WAGES TO DEPENDENTS

It is recommended that amounts paid by a taxpayer as wages to a dependent for whom he claims an exemption be made not deductible for income tax purposes Because of the limitation upon allowance of credits for dependents, this recommendation would only affect cases where the wages and other income of the dependents are less than $500

34 DIVIDENDS ON PREFERRED STOCK OF PUBLIC UTILITIES

It is recommended that a technical omission in the Revenue Act of 1943 be supplied to provide that the dividends received credit shall not be reduced in cases where the dividends on the preferred stock did not give rise to the dividends paid credit, under section 26 (h) of the Code

35 EXEMPTION FROM STAMP TAX FOR LOANS OF BONDS

It is recommended that loans of corporate bonds be exempted from the transfer tax imposed by section 3481 of the Code in the same manner that loans of corporate stocks are exempted

36 STANDARD DEDUCTION

It is recommended that permission be granted to revoke the election with respect to the standard deduction at any time within the statute of limitations

37 STATISTICAL REPORTS

It is recommended that the provisions of the Code be amended to eliminate the requirement that the Bureau of Internal Revenue report to the Congress small refunds and the requirement that corporations report to the Bureau of Internal Revenue salaries in excess of $75,000

38 52-WEEK YEAR

It is recommended that permission be granted taxpayers in appropriate cases and subject to the Commissioner's regulations to compute their income on the basis of the so-called 52-week year

39 NOTARIZATION OF RETURNS

It is recommended that authority be given to the Commissioner, with the approval of the Secretary, to eliminate the requirement of the oath from all returns

40 WITHHOLDING OF TAX ON NONRESIDENT ALIENS

It is recommended that the date for the filing of returns under section 143 be adjusted to conform with the date for payment of the tax

41 DELINQUENT GOVERNMENT EMPLOYEES

It is recommended that the Federal Government be authorized to withhold compensation from its employees who are delinquent in income taxes

42 DISTRAINT ON SALARIES

It is recommended that a continuing distraint on salaries be permitted for the purposes of collecting delinquent taxes

43 FIDUCIARY RETURNS

It is recommended that a fiduciary having custody of the property or the business of a corporation be required to include all income of such corporation in the return to be filed by him

44 COMPROMISES

It is recommended that the requirement of the Secretary's approval of compromises relating to cases where tax liability is less than $500 be eliminated, and authority be given to the Commissioner to delegate to his agents the right to compromise such cases

45 DOBSON RULE

It is recommended that the rule of the *Dobson* case, giving a greater degree of finality to decisions of the Tax Court than to decisions of the District Courts, be eliminated

46 ADMINISTRATIVE PROCEDURE ACT

It is recommended that the Tax Court be specifically excluded from the provisions of the Administrative Procedure Act

47 TECHNICAL AMENDMENTS WITH RESPECT TO TAX COURT PROCEDURES

It is recommended that certain minor technical amendments be made with respect to procedures governing the Tax Court of the United States

48 U S COURT FOR CHINA

It is recommended that the provisions in the Code relating to the U S Court for China be eliminated in view of the fact that such Court no longer exists

49 TRAVEL ALLOWANCES FOR FIELD AGENTS

It is recommended that specific authority be included in the Internal Revenue Code for travel in the case of revenue agents, as in the case of deputy collectors, under section 3600

Exhibit 34—Statement of Under Secretary of the Treasury Wiggins before the Senate Committee on Finance, May 17, 1948, on the Treasury Department's views on proposals to modify or repeal the oleomargarine taxes

I am very glad to appear before your committee to present the Treasury Department's view on the tax aspects of the pending proposals which would modify or repeal the excise taxes and occupational taxes on the manufacture and distribution of oleomargarine

LEGISLATIVE HISTORY

At present oleomargarine is subject to tax of 10 cents per pound if it is yellow in color and to a rate of one-fourth cent per pound if it is uncolored Imported oleomargarine, whatever its color, is taxed at a rate of 15 cents per pound In

addition, annual occupational taxes are imposed on the manufacturers and distributors of oleomargarine The manufacturers' occupational tax is $600 a year Wholesalers are subject to a tax of $480 if they distribute colored oleomargarine and $200 if they handle only the uncolored product At the retail level, the occupational tax is $48 for the distribution of yellow oleomargarine and $6 for the distribution of uncolored oleomargarine

Although this schedule of tax rates has been in effect since 1902, the origin of the taxes goes back to 1886

REGULATORY ASPECTS

The legislative history of these taxes and the considerations advanced in their defense during their long history indicate that their origin was associated with an effort to prevent the widespread, fraudulent sale of oleomargarine as butter Toward the close of the past century there was apparently need for using the Government's taxing power as a regulatory measure The taxing power was also brought into use in connection with the regulation of the production or distribution of a number of other commodities, such as narcotics and firearms The imposition of a tax on the production, sale, or importation of a commodity, the distribution of which the Government finds it necessary to regulate, enables the Government to establish rules, regulations, and reporting requirements with which manufacturers or distributors must comply Failure to conform to such regulations constitutes a violation of the revenue laws and provides a vehicle for regulatory purposes

The use of a taxing power for this purpose is justified in the public interest when the regulatory ends cannot be achieved effectively in other ways However these ends require only the imposition of a token tax, sufficient to establish liability for reporting and for a tax obligation under the revenue laws but nothing more Originally the tax was 2 cents per pound on all domestic oleomargarine In 1902 the rate was reduced to one-fourth cent per pound on uncolored and raised to 10 cents on colored oleomargarine From the viewpoint of regulating the sale of oleomargarine, this schedule of tax rates goes far beyond such requirements

A further consideration is the fact that there appears to remain little, if any, need for the use of these taxes for regulatory purposes Since their enactment, the effectiveness of the Government's administrative agencies as regulatory bodies has been substantially developed and improved With special reference to safeguarding the public health where affected by interstate commerce, the Congress has created the Pure Food and Drug Administration This organization is daily engaged in the task of insuring the maintenance of high food and medicinal standards and in safeguarding the consumer against fraudulent representation of commodities marketed in interstate commerce Moreover, the development of the Government's administrative agencies has been paralleled by a decline in the need for regulation as standards of business conduct and self-imposed business standards have improved

This conclusion is borne out by the recent experience of the Bureau of Internal Revenue with this tax In 1947, almost 275,000 taxpayers paid the special taxes on manufacturers of and dealers in oleomargarine (table A, p 355) A search of the Bureau's records indicates that during the decade since 1938, it found it necessary to refer only four cases to the Department of Justice for prosecution for violations of the labeling, marketing, and handling provisions of the oleomargarine tax laws This does not include a number of violations of a technical character which did not involve fraud or misrepresentation

The effective development of public agencies charged specifically with regulatory duties suggests that there is no longer any need for the Bureau of Internal Revenue continuing in the field of oleomargarine regulation Its facilities could be more usefully devoted to the discharge of its basic responsibilities in tax collection However, if the Congress considers that there continues to be need for the use of the Government's tax-collecting agency for the regulation of the marketing of oleomargarine, this objective could be served by the retention of only a nominal tax at the rate of, say, one-tenth or one-fourth of 1 cent per pound, and correspondingly reduced occupational taxes

I should like to emphasize, however, that it is the Treasury's view that as a general rule excise taxes should be used only for revenue purposes As revenue taxes, careful consideration should be given to the rates and the tax base to make sure that the producers affected are not being placed at an undue competitive disadvantage or that the tax does not unduly burden low-income consumers In

a few cases, it may be desirable to use excises to prevent fraud or the use of deleterious products In such cases, however, we should be sure that there is a real need for such regulation and should be alert to changing conditions which might not only remove the need for regulation but might make regulation undesirable

TAX COLLECTIONS

The revenue produced by the taxes on oleomargarine is relatively little Collections in the current and the next fiscal year are estimated at $7 million each Throughout most of the thirties, annual collections ranged around $2 million In fiscal year 1947 they were less than $6 million and in 1946 about $5 million Until recently virtually all of the revenue was accounted for by uncolored oleomargarine With the increased use of colored margarine in the postwar years, the share of the colored product in total collections has risen to about 40 percent (table B, p 355)

TAX BURDEN

The oleomargarine taxes belong to that category of punitive consumption levies the burden of which increases as tax collections decrease The tax may be said to impose a maximum burden when it yields no revenue at all because in such cases it effectively prohibits consumption and diverts demand to substitute products The Federal oleomargarine taxes, in combination with State legislation, which I will describe later, approach this result The combined effect of these taxes is to place a burden on consumers which falls with particular weight upon low-income groups

For the majority of the population, the direct tax burden represented by the oleomargarine taxes is small because they consume only the uncolored product which is subject to the nominal one-quarter cent per pound Ninety percent of margarine consumption falls in this category (table C, p 356) Those individuals who consume colored margarine bear a serious tax burden in paying a 10-cent-per-pound tax, but their number is small The direct effect of the occupational taxes on consumers is also small In 1947 combined tax collections from Federal excise and occupational taxes equalled about 1 cent per pound of margarine sold

The direct tax burden, however, is the lesser part of the cost of these taxes to consumers The more important cost results from the fact that the public is deterred from exercising its normal preferences Many consumers are in effect prevented from purchasing less expensive oleomargarine and are obliged to buy more expensive butter or to forego table fats altogether The public prefers yellow table spreads and has an aversion to the uncolored product The improved coloring facilities supplied by manufacturers of uncolored margarine has not overcome consumers' resistance to uncolored table fats The weight of the indirect burden resulting from the oleomargarine taxes cannot be calculated but might be illustrated The reluctance of distributors to become involved with the machinery of oleomargarine tax enforcement, together with the impediments imposed by many State laws, frequently preclude consumers from effectively exercising a choice between competing products Where consumers with equal preference for the two products are unable to purchase 40 cent oleomargarine and are obliged to pay 90 cents for butter, the indirect burden of these taxes approximates the 50 cents difference between the selling price of those items

It should be noted that the indirect burdens imposed by these taxes on consumers have substantially increased with the widening of the differential between the price of oleomargarine and butter in recent years During the prewar period, when the price differential between yellow oleomargarine and butter was not more than 10 cents, the indirect burden was substantially less than it is today Unhappily, this is also a period of high living costs While the imposition of these burdens through taxation is always undesirable, it is especially objectionable at times when high prices threaten the living standards of large groups in the population

EFFECT ON USE OF RESOURCES

I would like to emphasize that the views of the Treasury Department are concerned only with the tax aspects of the legislation before you It may be appropriate nonetheless to observe that the oleomargarine taxes may interfere with the optimum utilization of our resources It has been forcefully argued before this and other committees of Congress, for instance, that the national diet would be improved if more milk were consumed in fluid form and if the

table fat requirements of the Nation were obtained to a greater degree from oleomargarine The Treasury is not in a position to appraise the validity of this argument, but I mention it only because it illustrates the dangers involved in utilizing the taxing power as a punitive instrument in channeling consumption in the direction for some products and away from others It suggests that we should exercise great restraint in the use of the tax system for such purposes, except where the objective is clearly in the public interest and cannot otherwise be secured

STATE REGULATION

In addition to the Federal taxes, large segments of American consumers bear also the burden of State regulation Today the sale of colored oleomargarine is prohibited in 22 States Three additional States impose a tax of 10 cents a pound on the colored product In 23 States the sale of colored oleomargarine is unfettered by excises or State prohibitions

Uncolored margarine is available without tax in all but 19 States Seven of the 19 States impose taxes ranging from 5 to 15 cents a pound In the other 12 the exemption of oleomargarine made of domestic oils and fats or with a specific minimum of animal fats renders the tax ineffective As a result of this factor and the overlapping between States which tax colored and uncolored oleomargarine, approximately one-half of the States impose effective restrictions on the sale of oleomargarine

License fees for the manufacture or sale of margarine are required in 14 States Annual fees for manufacturers and wholesalers vary from $1 to $1,000, and for retailers from 50 cents to $400 (table D, p 357)

State taxes have been more onerous in the past than they are now, and the trend toward less State regulation of oleomargarine continues both by legislative and judicial action Less than a month ago the State of New Jersey repealed its law which prohibited the manufacture and sale of colored oleomargarine in that State A bill to repeal a similar prohibition has recently passed both the House and the Senate in the Commonwealth of Massachusetts and is now in the hands of the conferees of the two chambers However, State taxes are still widespread and repeal of the Federal taxes would make some contribution to intergovernmental tax integration by removing one of the all too many instances of overlapping Federal and State taxes

CONCLUSION

In summary, it is the Treasury Department's view that there is no longer need for the use of revenue laws to regulate the manufacture and distribution of oleomargarine and that the Bureau of Internal Revenue might well be freed of this responsibility The oleomargarine taxes unnecessarily burden consumers far in excess of the amount paid in taxes and interfere with the optimum utilization of national resources Revenue considerations are not involved

State imposed taxes and prohibitions are so far reaching that even in the absence of Federal taxes oleomargarine would continue to be unavailable to consumers in many parts of the country Nonetheless, it is the Treasury's view that the Federal taxes should be repealed Such action would eliminate one instance of overlapping Federal and State taxation and would directly benefit consumers in the majority of the States In the event, however, that the Congress deems it to be necessary to continue the use of the tax instrument for regulating the production and distribution of oleomargarine, this end would be fully served if the present punitive tax rates were replaced by token tax requirements

TABLE A.—*Number of taxpayers of special taxes on manufacturers of and dealers in oleomargarine, fiscal years 1934–47*

Fiscal year	Manufacturers, $600	Wholesale dealers		Retail dealers	
		Colored, $480	Uncolored, $200	Colored, $48	Uncolored, $6
1934	47	4	2 407	79	104 852
1935	45	4	1,275	160	155 415
1936	42	4	1,340	73	160 565
1937	41	4	1 471	57	174 591
1938	38	2	1 665	64	184 214
1939	40	3	1 639	88	173 727
1940	42	10	1,507	26	162 720
1941	42	2	1 486	37	162 038
1942	45	2	1 422	34	163,791
1943	72	14	1 731	133	182 643
1944	44	47	1 962	1 132	200 048
1945	47	121	1 978	3 842	218 889
1946	45	125	1 893	8,081	243 295
1947	47	176	2,204	5 192	265 984

Source.—Annual reports of the Commissioner of Internal Revenue.

TABLE B.—*Collections from oleomargarine taxes, fiscal years 1934–49*

[Thousands of dollars]

Fiscal year	Colored, 10 cents per pound	Uncolored, ¼ cent per pound	Special taxes						Total
			Manufacturers, $600	Wholesale dealers		Retail dealers			
				Colored, $480	Uncolored, $200	Colored, $48	Uncolored, $6		
1934	$45	$603	$28	$10	$198	$5	$587	$1 476
1935	85	898	27	10	209	5	814	2,049
1936	56	916	25	8	249	2	948	2 204
1937	68	968	27	3	272	3	1 007	2 348
1938	65	1 033	25	2	316	4	1 021	2 466
1939	39	822	28	4	302	2	1,014	2 210
1940	31	759	25	5	283	1	909	2,014
1941	50	851	26	2	284	3	905	2 122
1942	87	889	28	1	268	2	969	2 244
1943	238	1,088	32	4	287	7	965	2,621
1944	1,081	1 190	29	29	412	34	1 817	4 084
1945	2 219	1 856	33	49	386	131	1,330	5 503
1946	1 842	1 191	29	54	357	164	1 298	4 932
1947	2 132	1 441	34	74	364	224	1 604	5,874
1948 (estimated)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	[2] 7 000
1949 (estimated)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	[2] 7 000

Source.—Annual reports of the Commissioner of Internal Revenue and the Budget of the United States Government, fiscal year 1949.

[1] Not available.
[2] Includes collections from taxes on adulterated butter.

TABLE C.—*Production and withdrawals of colored and uncolored oleomargarine, fiscal years 1934–47, and first 8 months of fiscal year 1948*

[Thousands of pounds]

Fiscal year	Colored				Uncolored			
	Pro duced	Tax paid with drawals	Tax free with drawals		Pro duced	Tax paid with drawals	Tax free with drawals	
			For ex port	For use of United States			For ex port	For use of United States
1934	2 689	463	1 594	632	240 498	240 410	(1)	
1935	2 905	808	1,409	081	350 916	350 114	(1)	
1936	2 773	527	1 471	781	368,964	308,987	(1)	
1937	1,907	673	584	741	387 297	386,770		
1938	1 649	624	200	838	413 755	413 561		
1939	1 381	355	156	868	331 592	331,702	(1)	3
1940	1,860	302	640	896	301,858	301 599	2	
1941	4 489	427	1 865	2 076	339 446	340,550	1	8
1942	14 828	667	2 939	10,955	353 977	353 648		
1943	116,970	2,104	1 558	110,302	431 498	429 409	10	87
1944	135 003	10 398	826	145 902	474 023	473 442		114
1945	72 086	21 243	2 023	48 440	540 313	533 744	7 174	1 645
1940	66 410	17 918	8 222	41 896	484,702	481 493	3,285	700
1947	65 960	21 126	8,080	36 758	576 440	571,083	573	547
1947 [2]	47 626	18 378	(3)	(3)	308 787	395 727	(3)	(3)
1948 [2]	48,803	27,965	(3)	(3)	533 642	528 800	(3)	(3)

Source.—Annual reports of the Commissioner of Internal Revenue and Internal Revenue Bulletin

[1] Less than 500 pounds
[2] 8 months
[3] Not available

TABLE D.—*State oleomargarine excises and license fees, May 15, 1948*

State	Excise tax (cents per pound)			Annual license fees			
	Colored	Uncolored	Containing foreign materials[1]	Manufacturers	Wholesalers	Retailers	Public eating places
California	([2])			$100	$50		$2
Colorado			10	25	25		
Connecticut	([2])			100	50	$8 00	3
Delaware	([2])						
Florida			10				
Georgia			10				
Idaho	[3] 10	5			200	50 00	
Illinois	([2])						
Iowa	([2])	5					
Kansas			10				
Louisiana			12				
Maine	([2])		10				
Maryland	([2])						
Massachusetts	([2])					50	
Michigan	([2])						
Minnesota	([2])		[4] 10	1	1	1 00	
Montana	([2])				1,000	400 00	
Nebraska				100	25	1 00	
New Hampshire	([2])						
New York	([2])						
North Carolina			10		75		
North Dakota	10	10		[5] 10	[5] 5	[5] 2 00	
Ohio	([2])						
Oregon	([2])						
Pennsylvania	([2])			2	2	2.00	
South Carolina			10				
South Dakota	([3])	10					
Tennessee	10		[6] 10	300	75	5 00	
Texas			10				
Utah	10	5					
Vermont	([2])				25	$2 00-100 00	
Washington	([2])	15					
Wisconsin	([2])	15		1 000	500	25 00	
Wyoming	([2])		[4] 10				

[1] Manufacture or sale of colored margarine prohibited

[2] Tax applies to oleomargarine (colored or uncolored) not made from oils and fats (specifically named by the statute) that are largely derived from domestic materials

[3] Idaho also prohibits the manufacture or sale of colored margarine

[4] Minnesota's tax applies to oleomargarine not containing a minimum percentage (65 percent) of animal fats as well as that made of foreign materials Wyoming s tax applies only to vegetable oleomargarine (containing 20 percent or less of animal fats)

[5] The license is for 2 years

[6] Tennessee's tax applies to all colored margarine, regardless of ingredients Uncolored margarine is exempt if made from domestic oils and fats

Exhibit 35.—Miscellaneous revenue legislation enacted during the fiscal year 1948

Public Law 185, July 14, 1947, amended section 3179 (b) of the Internal Revenue Code to authorize a drawback upon the exportation of distilled spirits and wines packaged and bonded in the United States especially for export, and upon which tax has been paid

Public Law 186, July 14, 1947, amended section 2801 (e) (4) of the Internal Revenue Code to permit a vermouth department to have interior communication with other departments of bonded winery premises and permit the manufacture of other aperitif wines in a bonded winery in the same manner as vermouth Section 3043 (a) of the Internal Revenue Code was amended to permit the fermentation of grape wine retsina with resin on bonded winery premises Section 3044 (b) of the Internal Revenue Code was amended to permit the juice of grapes to be fermented in certain instances above 13 per centum of alcohol Section 3045 of the Internal Revenue Code was amended to permit the amelioration of loganberry, currant, and gooseberry wines with up to 60 per centum sugar and water solution without so indicating on the label

Public Law 187, July 14, 1947, amended section 2801 (e) of the Internal Revenue Code to authorize fruit brandies distilled from the same kind of fruit at not more than 170 degrees of proof to be mixed or blended with each other, or with any such mixture or blend, by the distiller thereof in any internal revenue bonded warehouse operated by him exclusively for the storage of brandy or wine spirits

Public Law 189, July 15, 1947, provided that the net operating losses and the unused excess profits credits of railroad corporations in bankruptcy or receivership proceedings shall be available as carry-overs to an acquiring railroad corporation organized or made use of to effectuate a plan of reorganization approved by the Court in such proceeding

Public Law 226, July 24, 1947, amended section 1602 of the Internal Revenue Code to provide that a State law may permit certain voluntary contributions to be used in the computation of reduced rates for the purposes of the Federal Unemployment Tax Act

Public Law 310, August 1, 1947, amended section 251 of the Internal Revenue Code to provide that citizens taken as prisoners of war or interned while serving in a possession of the United States and confined in a place not a possession shall be considered as being confined in a possession, and compensation received in the United States by such citizen attributable to the period of confinement shall be deemed to be compensation received outside of the United States

Public Law 356, August 4, 1947, extended until December 31, 1948, the period of time within which claims may be filed for credit or refund based upon an overpayment of tax as a result of the failure to take a deduction for a war loss relating to any taxable year beginning in 1941 or 1942

Public Law 367, August 5, 1947, amended section 421 of the Internal Revenue Code to provide that, in the event of the death prior to January 1, 1948, of an individual while serving as a member of the armed forces, the income tax shall not be imposed with respect to any taxable year ending on or after December 7, 1941, during any part of which the decedent was a member of the armed forces, and if the tax has been collected, it shall be credited or refunded as an overpayment

Public Law 384, August 8, 1947, was concerned with the termination of wartime revenue and customs provisions Termination dates were provided for numerous such provisions which had been tied to the duration of the emergency The more important of these were January 1, 1949, was set as the termination date for the special income tax exclusions now allowed to members of the armed forces and it was provided that the pay of service personnel shall after that date be subject to withholding December 31, 1947, was set as the termination date for several provisions of law which permit, because of circumstances connected with the war, postponement of the time for performing various acts in connection with Federal tax liabilities The wartime provisions for special treatment under the admissions tax for members of the armed forces and for activities operated on War and Navy Department reservations were terminated as of December 31, 1947, which date was also set for termination of the exemption from transportation tax available to members of the armed forces and others traveling on furlough tickets March 31, 1948, was considered as the date of the termination of the war for the purposes of the proviso of section 511 (h) of the Merchant Marine Act of 1936 permitting further extension by the Maritime Commission of the period for the performance of certain acts with respect to ship construction reserve funds The special relief accorded taxpayers using the last-in first-out inventory method for income tax reporting, whose inventories were depleted by involuntary liquidation because of circumstances related to the War, was made applicable only where the involuntary liquidation occurred in a taxable year beginning prior to January 1, 1948, and the replacement occurred in a taxable year ending prior to January 1, 1951 The wartime provision for percentage depletion for certain minerals was made permanent and extended to certain additional minerals

Public Law 387, August 8, 1947, amended section 1802 (a) of the Internal Revenue Code so as to limit the stamp tax on issues of capital stock and similar interests, in cases where new and additional capital is introduced to the capital stock account, to an amount calculated on the basis of the earned surplus or other capital which for the first time is dedicated to capital Section 1802 (b) of the Internal Revenue Code was amended to limit the stock transfer tax in cases of transfers of interests in a partnership owning shares or certificates of stock to an amount equal to that percentage of a tax computed on the transfer of all such shares or certificates owned by the partnership as the interest transferred bears to the total interests in the partnership of all the partners, and to exempt from

such tax mere loans of stock Section 3481 (a) of the Internal Revenue Code was amended to afford the same treatment in cases of transfers of interests in a partnership owning bonds as is afforded by the amendment of section 1802 (b)

Public Law 439, March 11, 1948, provided in section 3 that for the purposes of the Federal income, estate, and gift taxes any gift, devise, or bequest to any of the Secretaries of the Armed Services or the Secretary of the Treasury for schools, hospitals, libraries and other institutions under the jurisdiction of such Secretaries shall be deemed a gift to or for the use of the United States

Public Law 514, May 4, 1948, amended sections 212 (b) and 231 (d) of the Internal Revenue Code, effective retroactively to taxable years beginning after December 31, 1945, so as to provide that earnings of nonresident alien individuals and foreign corporations derived from the operation of aircraft registered under the laws of a foreign country will be excluded from their gross income if such foreign country grants an equivalent exemption to citizens of the United States and corporations organized in the United States

Public Law 635, June 12, 1948, amended sections 403 (d) (3) and 452 (c) of the Revenue Act of 1942 to extend through June 30, 1949, the time within which certain powers of appointment may be released without incurring estate or gift tax liability, and provides that for the purposes of these sections a power to appoint created by a will executed on or after October 21, 1942, shall be considered a power created on or before that date if the person executing the will dies before July 1, 1949, without having republished the will, by codicil or otherwise, after October 21, 1942 By an amendment to section 710 (a) (5) of the Internal Revenue Code (relating to deferment of excess profits tax payment in case of abnormality) the period during which taxes deferred under that section may be assessed was extended until one year after the final determination upon the application for relief under section 722 of the Internal Revenue Code

Public Law 706, June 19, 1948, amended section 1700 (a) (1) of the Internal Revenue Code to exempt from the admissions tax hospitalized servicemen or veterans when they are admitted free of charge

Public Law 744, June 23, 1948, provided by amendments to the Railroad Retirement Act and the Unemployment Insurance Act for a uniform 20 percent increase in all annuities and pensions under the Railroad Retirement Act (other than certain survivors annuities), a guaranteed return was provided, with respect to lump sum death benefits, slightly in excess of the contributions paid by the deceased employee, and a sliding scale of rates under the Railroad Unemployment Insurance Act was provided ranging from one-half of 1 percent to 3 percent depending upon the balance in the Railroad Unemployment Insurance Account as of September 30 of the preceding calendar year

Public Law 773, June 25, 1948, in codifying Title 28 of the United States Code entitled "Judicial Code and Judiciary" amends section 1141 (a) of the Internal Revenue Code to permit the various Circuit Courts of Appeals to review Tax Court decisions to the same extent as decisions of the District Courts in civil actions tried without a jury

Public Law 828, June 29, 1948, extended until December 31, 1949, the period of time within which claims may be filed for credit or refund based upon an overpayment of tax as a result of the failure to take a deduction for a war loss relating to any taxable year beginning in 1941 or 1942

Public Law 857, June 30, 1948, amended section 3150 (a) of the Internal Revenue Code so as to make imported fermented malt liquors subject to the same internal revenue tax as that imposed upon domestic fermented malt liquors

Public Law 869, July 1, 1948, amended section 812 (e) (1) (G) of the Internal Revenue Code so that the proceeds of insurance upon the life of a decedent payable to his surviving spouse will qualify for a marital deduction for estate tax purposes irrespective of whether the proceeds are payable in installments or are held by the insured subject to an agreement to pay interest thereon or both, if the first payment is payable not later than thirteen months after the decedent's death, if the surviving spouse has the power to appoint the proceeds to herself or the power to appoint to her estate all amounts payable after her death, and if, where a person other than the surviving spouse has a power to appoint the proceeds, such power is exercisable only in favor of such spouse

Public Law 899, July 3, 1948, amended section 3154 of the Internal Revenue Code to require the Commissioner to make refund or allow credit to a brewer in the amount of the tax paid by such brewer on any fermented malt liquor manufactured by him which was lost in the bottling house through breakage or leakage or in the process of filling, capping, pasteurizing, or labeling, limiting the losses

allowable to 2½ percent of the tax paid Section 3404 (d) of the Internal Revenue Code relating to manufacturers' excise tax on musical instruments was also amended to exempt from the tax imposed thereunder musical instruments sold for the use of any religious or nonprofit institution for exclusively religious or educational purposes

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Exhibit 36 —The Treasury Department's tax studies released by July 19, 1948

1 POSTWAR CORPORATION TAX STRUCTURE

Analyzes various proposals that have been made for the elimination or reduction of the present so-called double taxation of dividend income (released December 6, 1946) [1]

2 TAX TREATMENT OF FAMILY INCOME

Deals with various methods of taxing family incomes, such as compulsory joint returns, elimination of community-property privileges, and splitting of incomes equally between husbands and wives (released June 18, 1947) [1]

3 EXCISE TAXES ON COMMUNICATIONS

Examines the excise taxes on long distance communications services, on local telephone services, and on wire and equipment services (released July 21, 1947) [1]

4 FEDERAL-STATE TAX COORDINATION

Describes Federal and State overlapping in the several categories of taxation and considers a near-term program for coordination (released August 4, 1947) [1]

5 FEDERAL ESTATE AND GIFT TAXES

Deals with the integration of the estate and the gift tax and the correlation of these taxes with the income tax (released September 10, 1947) [1]

6 FEDERAL RETAIL EXCISE TAXES

Deals with the Federal excise taxes on furs, jewelry, luggage, and toilet preparations (released October 6, 1947) [1]

7 BUSINESS LOSS OFFSETS

Deals with the adequacy of the present 2-year carry-back and 2-year carry-forward of net operating losses (released October 24, 1947) [1]

8 TAXATION OF SMALL BUSINESS

Examines the impact of the present tax laws on small incorporated and unincorporated business and analyzes a variety of proposals that have been made for the special benefit of small business (released October 29, 1947) [1]

9 TAXATION OF FARMERS' COOPERATIVE ASSOCIATIONS

Analyzes (a) the present tax treatment of income from farmers' cooperative associations in comparison with that of other forms of business organizations and (b) proposed changes in the present treatment (released October 31, 1947) [1] (See exhibit 32)

10 TAX TREATMENT OF EARNED INCOME

Analyzes the bases for an earned income credit from both the equity and incentive viewpoints, and presents two methods of giving earned income credits It gives the history of an earned income credit in this country and reviews the experience of certain foreign countries (released November 21, 1947) [1]

11 EXTENSION OF OLD-AGE AND SURVIVORS INSURANCE TO AGRICULTURAL AND DOMESTIC SERVICE WORKERS AND TO THE SELF-EMPLOYED

Explores the feasibility of extending old-age and survivors insurance to groups now excluded, with particular regard to agricultural and domestic employees and self-employed individuals (released December 1, 1947)

12 INCOME TAX TREATMENT OF PENSIONS AND ANNUITIES

Examines the basis of the exclusion of certain pensions under present law and

[1] Published in *Hearings* before House Committee on Ways and Means 80th Cong , 1st sess , on Revenue Revisions, 1947–48

analyzes the present and alternative methods of taxing annuities (released December 3, 1947) [1]

13 FEDERAL EXCISE TAXES ON TRANSPORTATION

Deals with the taxes on passenger and freight transportation (released December 19, 1947)

14 INDIVIDUAL INCOME TAX EXEMPTIONS

Examines the adequacy of the $500 per capita exemption and the alignment of the allowances for single persons and for married couples with different numbers of dependents (released December 22, 1947) [2]

15 CONSOLIDATED RETURNS AND INTERCORPORATE DIVIDENDS

Considers the 2 percent additional tax on consolidated returns and the 85 percent credit for intercorporate dividends received (released January 9, 1948)

16 FEDERAL EXCISE TAXES ON TOBACCO

Deals with the taxes on cigarettes, cigars, manufactured tobacco, and cigarette papers (released February 27, 1948)

17 FEDERAL EXCISE TAXES ON ALCOHOLIC BEVERAGES

Deals with the taxes on distilled spirits, beer, and wine, and the rectification taxes (released July 19, 1948)

STATEMENTS AND SPEECHES

Exhibit 37 —Statement by Secretary of the Treasury Snyder before the congressional Joint Committee on the Economic Report, November 28, 1947, on inflation control

Mr Chairman and members of the Committee I appreciate your invitation to appear before this Committee to discuss certain phases of the program for controlling inflation outlined in the President's Message of November 17

As you know, I appeared before the House Banking and Currency Committee and discussed this subject with them for several hours on Tuesday Only one business day has intervened since my appearance before that Committee, and the statement that I wish to make before you today, therefore, consists mainly of a restatement of the points that I made before the House Committee

It is of the utmost importance that we extend early aid to the Western European countries in order to assure that people will not go hungry and cold this winter and to assure their continued participation as free nations in the world economy It is equally necessary that this aid be extended without subjecting our economy to the strain of further inflation

Both of these things are essential if we wish to maintain a national environment and a world environment in which peace and freedom can continue to develop If we fall short of our goal in foreign aid, our own freedom could be threatened by external forces, and, if we fall short of our goal in controlling inflation, we will be threatened by the danger of economic collapse at home We must avoid both dangers

I am directing my remarks this morning to one phase of the anti-inflation program Testimony in support of the emergency program for European assistance has been presented by representatives of the Departments of State, Commerce, and Agriculture

The President outlined three types of measures for the control of inflation one, measures to relieve monetary pressures, two, measures to channel scarce goods into the most essential uses, and, three, measures to deal directly with specific high prices

It is to the first of these measures that I will give attention, as other representatives of the Administration have been invited to discuss items two and three

Anti-inflationary measures which may be taken in the monetary field are of course but a segment of the whole program, and could not, by any means, solve the problem alone But such steps as can be taken when related to those in other fields will of course be helpful in the over-all solution

[1] Published in *Hearings* before House Committee on Ways and Means 80th Cong , 1st sess , on Revenue Revisions, 1947–48

[2] Published in *Hearings* before Subcommittee of Senate Committee on Post Office and Civil Service 80th Cong 2nd sess , Salaries of Federal Government Employees

The President is greatly disturbed in regard to price inflation, which threatens our whole economic structure, and he is convinced that the Congress is equally concerned.

The President has laid special emphasis on voluntary actions on the part of businessmen, labor leaders, farmers and consumers to hold prices down. Intensified efforts will be continued to obtain voluntary restraint. Certain powers are necessary, however, to fortify the voluntary efforts.

The President has suggested that consideration be given to the following monetary measures: one, that consumer credit controls should be restored and some restraint should be placed on inflationary bank credit; two, legislation should be provided to prevent excessive speculation on the commodity exchanges; three, intensified activity in the sale of savings bonds.

The last item is the only one of those suggested which comes completely under the jurisdiction of the Treasury Department, and I shall devote my time principally to a discussion of that particular item. I shall touch but briefly upon the first two as they are primarily the concern of other Government departments and are being discussed by representatives of those departments as they appear and testify.

As to item one, restoration of consumer credit controls and restraint on inflationary bank credit, these matters have been discussed by Federal Reserve officials. As to consumer credit controls, I am in favor of their restoration.

The most effective types of credit control are those which strike at the individual forms of credit extension which are contributing to inflationary pressures. The most important single form of such credit extension at the present time is in consumer credit.

Total consumer credit outstanding at the end of September reached an all-time peak of $11.4 billion. At the end of 1945, it amounted to only $6.6 billion. Prior to December 1946, total consumer loans outstanding at any one time had never reached the $10.0 billion level.

This increased use of consumer credit in the present period of inflationary pressures can only add to those pressures. As we all know, the curtailment of the production of consumer goods during the war period gave rise to a tremendous deferred demand for such goods. As we all know, despite the fact that industrial production during 1947 has reached the highest level ever attained during peacetime, we have not yet been able to produce enough goods to satisfy this deferred demand. There still exist many important shortages of goods. But with production near capacity levels, purchasing power made available by consumer loans can be used only to bid up prices of consumers' goods, not to purchase more goods. It is imperative, therefore, that efforts be made to restrain the demand for scarce goods until supply approaches demand.

Money market interest rates form a small part of the total cost of consumer credit, and changes in such rates are almost powerless to limit its extension. It is necessary to cover specifically by regulation such matters as minimum down payments and the maximum periods over which payments may be spread on installment purchases of consumers' goods in order to restrain this type of inflationary credit.

In reference to the second part of item one "Some restriction should be placed on inflationary bank credit," this is a matter under the jurisdiction of the Board of Governors of the Federal Reserve System which has the responsibility for over-all bank credit control. Mr. Eccles has discussed this matter with you in considerable detail. He and I have discussed it together on a number of occasions and we are entirely in agreement that the objective is fundamental to the inflation control program. I do not believe, however, that the specific proposal that he has made will accomplish the objective in question.

I would like to point out that I have a positive feeling that the major objective at this time is to maintain the fiscal soundness of the Government and the continued confidence of the public in Government obligations. I feel that the attack on the problem can best be handled by the application of a substantial budget surplus to the reduction of the public debt in the manner which will extinguish an equivalent amount of bank-held Government securities. Since the end of the war, the Treasury has conducted its program of debt management in such a way as to reduce inflationary pressures whenever possible by paying off bank-held securities.

The public debt reached its peak of $280 billion on February 28, 1946. During the following ten months, it was reduced over $20 billion, reflecting the reduction in the cash balance in the Treasury from a wartime to a peacetime level. Almost

all of the reduction in the debt during this period took place in the holdings of Government securities by commercial and Federal Reserve Banks Since the end of 1946, the debt has remained substantially constant, reflecting the approximate balance of the budget during this period Holdings of Federal debt by commercial and Federal Reserve Banks have nevertheless continued to be reduced and fell by over $6 billion in the first ten months of the year, with holdings by nonbank investors increasing correspondingly

The concentration of debt reduction during 1946 on securities held by banks and the transfer of over $6 billion of debt thus far in 1947 from bank to nonbank hands have been, in large part, the consequence of the public debt policies of the Treasury and of the restrictive credit policies of the Federal Reserve System These policies have contributed substantially to the fight against inflation, and will be continued as long as they are appropriate I should like to note in this connection that a sizable reduction in the public debt will be possible during the early months of 1948—during which months will occur most of the excess of Government receipts over Government expenditures predicted for the entire fiscal year

To minimize bank credit expansion, restrictive measures have been applied to the money market by the Federal Reserve System and the Treasury This has been reflected by a rise in interest rates and a better balance between short- and long-term rates

The average rate on 90-day Treasury bills has increased from ⅜ of 1 percent in early July to nearly 1 percent at the present time, while the rate on 1-year Treasury certificates of indebtedness has risen from ⅞ of 1 percent to 1⅛ percent in the same period During this time the yield on the longest-term Treasury bonds[2]—those issued in the Victory Loan—has risen from a little over 2 30 percent to about 2 43 percent

The entire debt management policies of the Treasury since February 1946 have been of an anti-inflationary character First, there was the paying off of bank-held Government debt out of excess cash balances, second, there has been a payment on bank-held debt out of funds derived from (a) budget surplus, (b) trust funds, and (c) the sale of savings and investment bonds to the public, third, pressure on the money market with slightly higher interest rates Through the payment and calling of maturing bonds and refunding them into short-term issues, it has been possible to create an interest pressure on the money market without an increase in the net cost of the market debt to the Government

In making our decisions with respect to public debt management, we must constantly weigh the restrictive effect of any proposed debt management action against its cost in added interest burden on the taxpayer An increase of ½ of 1 percent in the average cost of carrying the public debt, for example, would mean an added burden of $1¼ billion a year on the taxpayer

At the present time, as you know, the interest cost on our public debt amounts to more than $5 billion per annum This is a large figure and may increase in the future if a larger proportion of our debt is carried in longer-term securities requiring higher coupon rates of interest It is, therefore, imperative that during these times of great prosperity we should continue to collect adequate revenues over and above a balanced budget to provide for a systematic reduction of the debt total A reduction in the debt through a substantial budget surplus is the most anti-inflationary measure that can be taken in the fiscal field

In the field of commercial bank loan credits, the Treasury Department, through the Comptroller of the Currency, has been very active in studying trends and taking steps to induce a restraint in inflationary bank loans

A few weeks ago, we had the District Chief National Bank Examiners in for a conference, at which time the credit situation was discussed at some length The Chief Examiners were instructed to have their examiners, during the course of examination of banks, counsel with and caution bankers against speculative lending policies

More recently, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Executive Committee of the National Association of Supervisors of State Banks have collectively taken steps to urge the curtailment of all loans either to individuals or businesses for speculation in real estate, commodities, or securities In a joint statement [1] issued last Tuesday by these agencies all bankers are urged

[1] See exhibit 40

to confine the current extension of bank credit to the greatest extent possible under existing conditions to financing that will help production rather than increase consumer demand

Item two Secretary of Agriculture Anderson has presented testimony to this Committee on legislation that should be provided to prevent excessive speculation on the commodity exchanges

Item three makes recommendations for the intensification of activity of savings bond sales as an anti-inflationary action

As the President said in his message of November 17

"Another effective weapon against inflation is increased savings by the public Every dollar that is saved instead of spent is a dollar fighting against inflation In order to encourage additional savings, the Government should intensify its vigorous efforts to sell savings bonds"

Since the war, as an economy measure, the Treasury Department has curtailed enormously the organization of the Savings Bonds Division, and has resorted primarily to those programs for which the voluntary cooperation of individuals and businesses could be recruited While this procedure has been eminently successful and has produced most satisfactory results in maintaining bond sales in excess of bond redemptions, it still has its limitations

Up to now the day-to-day efforts of the Treasury savings bond sales organization have been to maintain the popularity of the payroll savings plan among American workers and to sell to the American people the idea of investing regularly for their own good This program has formed an important part in the Treasury's fiscal policy

During the war, it was obvious to people why we needed the savings bond program Everyone could see that the Government needed dollars—over and above taxes—to buy munitions and pay wages and subsistence for our armed forces Each of us had someone—son, daughter, brother, sister, loved one—in service and therefore had a direct interest And, in addition, everyone could understand that savings bonds helped to absorb inflationary dollars which were accumulating at a rapid rate because incomes were growing while goods and services available for purchase were not increasing accordingly due to the fact that war goods were using up materials and labor

But now that the war is over many people do not understand the importance of the savings bond program today

The savings bond program absorbs excessive purchasing power in the hands of individuals This cuts down spending pressures For this reason, emphasis is being placed—and will continue to be placed—on the payroll savings plan for workers and on bond programs for individuals, and especially farmers The important funds to obtain are the small amounts invested regularly by millions and millions of people It is the money which is more likely to go on a spending spree that is the most important to get invested in savings The investor we want most is the individual—the worker with good income and the farmer whose income is at a high level

Bond sales of this character are important from a fiscal point of view even if we have a balanced budget, for they widen the ownership of the debt and provide a sounder debt structure At the same time the sale of these savings bonds makes an important contribution to the control of inflationary pressures

It withdraws funds in the hands of the individual from the spending stream thus providing funds which enables the Treasury to retire bank-held debt This in turn results in a reduction of the money supply in the economy

In order to increase the sale of United States savings bonds, however, we have an intensive selling job to do

The Treasury Department is ready to move right away on an enlarged savings bond sales activity But this increased sales activity will require additional funds over those earmarked for this purpose in the budget for fiscal 1948 We are therefore asking the Congress to give approval to the use of additional funds for the savings bond program over and above those approved in the budget

The present greatly reduced staff in Washington and in the field can be expanded immediately With additional personnel and funds for promotion, the number of purchasers on payroll savings plans can be greatly increased and the sales of savings bonds materially multiplied.

Incidentally, I think that you would be interested to know that total sales of savings bonds are continuing to exceed redemptions and the volume outstanding has reached a new high—nearly $52 billion In E bonds alone there are $30,894 million outstanding, this volume is today within one-quarter of 1 percent of the

peak volume of E bonds outstanding at the close of the Victory Loan nearly two years ago We have been able, in other words, to increase the savings bond total and to sustain the volume of E bonds outstanding throughout this period of postwar readjustment

This has been a tremendous accomplishment There were those, you remember, who predicted that the termination of the war would be followed by wholesale cashing of savings bonds and the liquidation of much of the effect of the wartime savings bond sales effort The truth is that this just didn't happen The redemption record of United States savings bonds is a cause for considerable gratification for all of us It is a tribute to the people who sold the bonds during the war and to the people who purchased them I am confident that with the additional effort that will be provided by additional funds, good results can be obtained

I have with me today representatives of the Treasury Savings Bonds Division who are prepared to present, with your approval, some interesting statistics in this field

Exhibit 38—Address by Under Secretary of the Treasury Wiggins before the Academy of Political Science, New York City, April 1, 1948, on fiscal policy and debt management

My discussion tonight will be devoted primarily to debt management as a part of fiscal policy Over-all fiscal policy is concerned with the desirable amount and sources of Government revenue and the amount and uses of expenditures of the Federal Government, on the basis not only of financial but of economic considerations as well

However, in actual practice, the amount of receipts is often determined as much by a consideration of what it is feasible to collect as it is by a broad consideration of consumer and business incomes and the amount of goods available for purchase The total amount of the Federal Government's expenditures is often determined by other than economic considerations Our huge war expenditures were made in order to win the war and not because the economy needed them, and this is also true of the proposed expenditures for the European Recovery Program

It was not deemed feasible nor desirable for total receipts during the war years to equal total expenditures On the other hand, when national income and production are high, employment full, and inflationary pressures strong, economic considerations should control, so as to produce a budget surplus that may be applied toward economic stability and debt reduction

The determination of the total amounts and the balance of receipts and expenditures of the Federal Government that is most conducive to a healthy domestic economy should be the basic consideration of fiscal policy in peacetime

The condition of the American economy since VJ-day indicated a fiscal policy of seeking to keep expenditures as low as compatible with the discharge of our domestic and international obligations and of seeking to keep receipts as high as is consistent with a vigorously functioning private enterprise economy and a reasonable untaxed minimum standard of living for persons in the lower-income brackets These objectives continue to call for the maintenance of the present aggregate level of Federal tax revenues

We would be blind to the stern realities of the hour if we failed to recognize that rapidly changing world events are generating new variables and new problems which will have a profound effect on our entire national economy and on fiscal policy However, the limits of my time do not permit a discussion of tax policy nor questions of expenditures as basic elements in the determination of fiscal policies I shall limit my discussion to the area of public debt management

The number one constant in the equation of debt management is a present Federal debt in excess of $250 billion The importance of this debt is not merely its size but its proportion to the total of all debt, the impact of its management on all interest rates, the cost of servicing the debt, and proper provision for its retirement

In the 1920's, the public debt, both Federal and State and local, amounted to a little over $30 billion and was less than 20 percent of the total public and private debt Today, the total public debt, Federal and local, is about $270 billion and constitutes some 60 percent of the total of all debt In the 1920's, Government securities constituted about 12 percent of the total assets of member banks, while today they constitute about 50 percent of total assets In the 1920's, the rate of interest on the public debt was largely influenced by current financial and business conditions and the rate on private debt, whereas today, the size and the

proportion of the Federal debt to the total of all debt makes it the dominating factor in determining interest rates on private debt and the return on investments In the 1920's, the public debt was only about ⅜ of a year's gross national product, whereas, in 1947, the public debt exceeded the gross national product for the year

These figures and comparisons are unmistakable evidence of the importance of public debt management and of the compelling necessity for such management to be directed not merely to the financial considerations of Government itself, as important as they may be, but to the effect of such management on our entire economy No matter how jealous we may be of the freedoms of private enterprise, nor how abhorrent to our concept of such freedom that control and management by central government may be, the hard facts are that the management of our large public debt is such a dominant factor in the financial and economic life of the Nation that it is imperative that firm control of debt management be exercised by the Federal Government This must continue as long as the public debt continues at its present relative size and proportions However, financial and business leadership should be constantly alert and fully cooperative in seeing that the exercise of that power is, at all times, directed toward the broad objective of the national welfare

In February 1946, at the highest point, the total Federal debt, direct and guaranteed, was $280 billion Cash balances of the Treasury amounted to $26 billion The wartime interest pattern of the debt ranged from ⅜ of one percent on 90-day Treasury bills to 2½ percent on long-term Treasury bonds The distribution of the debt was $117 billion held by the commercial banking system $65 billion held by individuals, $28 billion held in Government trust accounts, and $70 billion held by other investors For the remaining months of that fiscal year, to June 30, 1946, there was a further deficit in the Federal budget of over $1½ billion There was a growing inflationary pressure in our economy

With these factors, the correct policy of debt management was clear It was to utilize the excess cash balance beyond budget needs for the retirement of the debt The proper place for such retirement was in the commercial banking field This policy was followed, with the result that by the end of December 1946, when cash balances had been brought down to a peacetime working level, the total debt had been reduced by over $20 billion, of which $19 billion were taken out of the commercial banking system

We then moved into the second phase of postwar debt management From January 1, 1947, through June 30, 1947, there was a budget surplus of approximately $¾ billion This represented the reduction of the public debt which it was possible to achieve during this six-month period from an excess of receipts over expenditures However, during this same period, it was possible to reduce the holdings of the commercial banking system by $6 billion through the application of this surplus, through the use of the proceeds from the sale of savings bonds to the public, and through the use of the excess of the cash operating surplus over the budget surplus The inflationary pressures had increased during this period and, therefore, the economic objective of an anti-inflationary debt management policy was paramount

For the fiscal year ending June 30, 1948, there is an indicated budget surplus of $7 5 billion This surplus has been, and is being, used for debt retirement The Treasury also will receive about $1½ billion from the net sales of savings bonds and from other sources, making a total of approximately $9 billion which will be available for the retirement of the marketable debt During this period, inflationary pressures have continued high. Therefore, in the interest of stabilizing the economy, the use of these funds has been directed toward a reduction of bank-held debt, with particular emphasis on the retirement of debt held by the Federal Reserve Banks

Offsetting the impact of this program to a considerable extent has been the nonbank selling of Government securities to the Federal Reserve Banks and the inflow of gold These factors have diminished the full anti-inflationary effect of the debt management policy this year However, this policy has been of substantial effect on the credit structure, particularly on long-term interest rates of private and municipal credits, and in encouraging a greater degree of caution in the lending field

The present budgetary surplus as of the end of March is greater than the net surplus indicated on June 30 next However, an excess of expenditures in the fourth quarter of the current fiscal year above receipts will reduce this amount to the $7 5 billion indicated in the budget estimates. The deficit for this three-

month period can be more than offset, however, with withdrawals from the Government's war loan deposits in commercial banks now approximating $2 billion These withdrawals, together with cash receipts from the sale of savings bonds and net receipts from trust funds, will be available for debt management purposes and will be used to continue the pressure on the money markets

Throughout the current fiscal year, recognition has been given to the wartime artificiality of the low rates on short-term Government securities The task was to remove the rigidities of these artificial wartime rates without serious disturbance to the money markets Through the cooperation of the Treasury and the Federal Reserve System, the rates on 90-day bills were permitted to move up, beginning with the issue of July 10, 1947 Through the issue of ⅞ percent certificates on August 1, 1947, for an eleven-month maturity, an adjustment of the certificate rate was begun These adjustments have continued until the 90 day bill rate is now approximately 1 percent and the one year certificate rate is 1⅛ percent The effect of these adjustments in rates has been consistent with the over-all debt management policy of the past year

I have indicated that the budget surplus has been the most potent weapon in debt management for the anti-inflationary objective This leads to a brief discussion of the outlook for the fiscal year ending June 30, 1949 We start with the President's budget estimate of a surplus for fiscal '49 of $4 8 billion In view of world conditions, we would be unrealistic if we failed to recognize the possibility that this surplus may be considerably reduced through increased expenditures Furthermore, a tax bill has passed the Congress which, if it becomes law, will reduce the total revenues of the Federal Government by more than 10 percent Under this legislation, revenues during the fiscal year ending June 30, 1948, will be reduced by only about $600 million, but revenues for the fiscal year ending June 30, 1949, will be reduced by about $5 billion Adding to this $500 million, which will be paid out in additional tax refunds, the proposed tax reduction, based on present budget estimates, would convert the expected surplus of $4 8 billion into a deficit of $700 million

Even on the earlier budget estimates, without consideration of reduced receipts that will result from the proposed tax reduction and without any consideration of increased expenditures beyond original budget estimates for military and economic preparedness, there is indicated no further budget surplus between April 1st and December 31, 1948 The next period of substantial surplus will be in the first quarter of calendar 1949

For the full fiscal year 1949, with the currently proposed tax reduction and without any net increase in expenditures, there will be a rise in the public debt of $700 million, and the only funds available for debt management will be the cash receipts from trust funds and the receipts from sales of savings bonds in excess of the budget deficit If, therefore, inflationary pressures continue through fiscal 1949, and if debt management policy is to be continued with an anti-inflationary objective, the ammunition will be severely limited It is, therefore, highly important in the year ahead that a maximum effort should be devoted to the sale of savings bonds to nonbank holders, so as to provide the greatest possible amount of funds to be used in maintaining reasonable pressure on the credit situation

Recognizing the strategic value of the sale of savings bonds to individuals as a dual purpose weapon against inflation that will divert cash from the spending stream and, at the same time, provide funds which may be used in retiring bank reserves and deposits of commercial banks, the Treasury Department is instituting a new and accelerated Security Savings Bond Campaign, beginning April 15th Enthusiastic support for the program by industrial concerns, labor organizations bankers, retailers, insurance companies, the entire advertising industry, and many others assures an all-out effort

I have used the President's budget estimates as the basis of all the figures I have given Here and there, questions have been raised as to whether these estimates, in some cases, may be too low or too high The answer is that all estimates of the future are necessarily estimates, they cannot be proven facts They are as scientifically prepared as is possible, by as competent group of technicians as can be assembled, and are based upon all known facts and the judgment of those in the best position to form a sound judgment in the financial field, in the business field, and in government What the national income will be, what the personal incomes for the Nation will total what the national gross product will be between July 1, 1948, and June 30, 1949, is not a slide rule determination on January 1, 1948 Yet a determination had to be made at that time of a base

on which to estimate Government revenues for the period six to eighteen months in advance With a Government budget equal to about 20 percent of total personal incomes and with the Government revenues determined largely by the total of such incomes, any variation in the base necessarily affects the actual revenue receipts With many new factors continuously arising that affect the base, the surprise is not in how much the difference is between actual receipts and estimates but how little

Revenue estimates for the fiscal year 1949 are based on personal incomes of $200 billion for that period This is $3 billion more than the total for the calendar year 1947 and is $11 billion less than the rate at which such income payments ran in the month of January 1948 I am fully convinced that the base of $200 billion is as realistic and as uncolored by desires or objectives as reasonable men, using all available material and the most scientific technique, can determine

On the expenditure side, costs that are products of war and defense constitute 79 percent of the President's budget There are few areas in this group where expenditures may be reduced, but, on the other hand, there appear to be potentials in which substantial increases may become the price of self preservation In the other areas of the cost of government, the American people have shown little disposition to deny themselves services that multiply the cost of government There are some areas in which economies may be, and are being, effected, but, so long as the American people demand of the Federal Government vast operations and services, subsidies and guarantees, substantial reductions in the cost of government cannot be had

It has been suggested that, in order to improve the budget picture for fiscal 1949, the sum of $3 billion for the foreign recovery program be earmarked and charged against the 1948 budget and credited to the 1949 budget The result is merely a bookkeeping transaction that would not affect the time of receipt by the Government of a dollar of income nor the time of payment of a dollar of expenditure From the standpoint of debt management, there would be no effect at all

In the field of interest rates, there is but a limited area in which debt management policy can operate Present rates on long-term Government bonds are practically at the coupon level of 2½ percent During the months of March, April, and May, 1947, there was an incipient boom in the bond market with heavy pressures on the long-term rate It was recognized, in the interest of our national economy, that it was undesirable for long-term money to become worth less and less There was a demand for the issuance of new Government securities to meet investment demand In order to meet this situation, the Treasury Department, over a period of six months, sold long-term bonds from some of its investment accounts to a net amount of $1 5 billion In September 1947, the Treasury Department offered a nonmarket G-type bond to institutional investors under a limited formula, resulting in sales of approximately $1 billion The effect of these operations was to take the pressure off the market and create the conditions under which prices declined and interest rates moved up Thus was averted the boom market in long-term securities

Following this period, the market pressures reversed themselves and there developed instead an increasing downward pressure on prices and upward pressure on rates The 2½ percent long-term rate was then stabilized through purchases in the market by the Treasury and the Federal Reserve Banks At present, there appears to be a relative equilibrium in the long-term market

It should be well recognized that there is no question of the financial adequacy of the Federal Reserve System and the Treasury to maintain the market and the rate and to buy all of the securities that may be required for that purpose The total amount of marketable Government bonds with a final maturity date of ten years or more presently outstanding is only $64 billion out of the total debt of more than $250 billion

There are several considerations that argue for the maintenance of the long-term 2½ percent rate on Government securities

Whether this rate is the correct one in terms of long-range worth of long-term money or not, it was the rate used in financing the war That rate, and the market for securities based on that rate, and the liability of institutions that have acquired those assets based on that rate, have been integrated into the financial structure of both public and private institutions throughout the Nation Commercial bank holdings of Government securities are about seven times their capital funds, the holdings of Government securities by mutual savings banks are about six times their reserves The holdings of Government securities by life insurance companies equal more than five times their capital funds The

average maturity of Government securities held by commercial banks is four years, by mutual savings banks is thirteen years, and by life insurance companies, fifteen years. Any rise in interest rates of Government securities, with a consequent decline in market value, would create a book loss against capital funds of these institutions, multiplied by the ratio of Government bonds to capital assets. A small rise in the interest rate of long-term Government securities would result in a market decline of all long-term securities that would create a book loss on assets held by many such institutions equal to the total of their capital and capital reserves. While such book losses would not be actually sustained, the existence of such market valuation shrinkage in large proportions might threaten the stability of many institutions.

An aggregate of $46 billion savings bonds are held by millions of individuals. These securities bear an interest rate to maturity from 2½ percent to 2.9 percent. These bonds are payable upon presentation and demand. A rise in interest rates would be a wholesale invitation for cashing these bonds and would undermine the confidence of the owners in their original investment.

The interest cost to Government on the public debt is $5.2 billion per year, or $100 million per week. This item represents 14 percent of the Federal budget for the fiscal year 1948. Unless there is a substantial reduction in the debt, the total interest cost will continue to rise. There are two reasons for this. One involves savings bonds. The interest rate on E savings bonds, if held to maturity, is 2.9 percent, but the interest charge on these bonds is carried in the budget on the basis of the actual accrual each year. The bracket rates for accrual are graduated and they run up to 4.76 percent. This top rate will be reached on the largest blocks of savings bonds outstanding during the next two or three fiscal years. Second, the continued accumulation of trust funds is invested, under statutory requirements, at an interest cost to the Government up to 4 percent. To the extent that these funds are used to retire short-term, low rate securities, the interest cost on the total debt will rise. It is of considerable importance to the taxpayer that the interest cost of the debt be held to a minimum.

With interest rates on the Government debt the dominant factor in influencing all interest rates, any rise in long-term rates on Government securities would disturb private business in its long-term planning.

No one can predict today what the financing needs of Government may be in the years ahead. To destroy the integrity of the long-term rate with which World War II was financed would multiply the difficulties in any large scale financing that might be needed in the years ahead. Nor should we overlook the fact that, with the present debt, more than $50 billion must be refunded each year.

It has been argued that long-term interest rates should be allowed to seek their "natural" level. What is sometimes meant by the natural level is the determination made by the investment and money markets. But this use of the term "natural" adds little to the discussion, as the determinations made by the money market are, for the most part, merely reflections of the underlying credit policies of the monetary authorities.

However, monetary authorities are not omnipotent. In the long run, there is a real natural rate of interest, and a departure from this rate will collect its own toll. The natural rate of interest in this sense is that rate which is high enough to hold down the amount of capital formation to the currently accruing savings of the economy, yet low enough to permit the savings made at a high level of employment to be fully invested.

A too-low rate of interest will, in the long run, encourage more capital formation than can be financed by the current savings of the community. The difference will then be made up by an expansion of bank credit with a consequent upward pressure on prices sufficient to compress consumption enough to release the necessary resources.

On the other hand, a too-high interest rate will not permit as much capital formation as the real savings of the community would make possible. As a consequence, the community will not secure the benefits of all the investments which it could otherwise have, and the labor and capital which would have gone into creating these investments will be unemployed.

It is necessary, therefore, that the monetary authorities recognize the long-run economic limitations upon their powers.

It should be fairly recognized that if selling pressures by holders of long-term bonds are offset by no substantial demand except that provided by the Federal Reserve System and the Treasury, the maintenance of the 2½ percent long-term

rate will provide no flexibility for the use of long-term rates as an important factor in credit control This brings us back to the big constant in the equation, the size of the public debt, the cost of carrying it, its widespread ownership among millions of individual owners, and its preponderant proportion in the assets of commercial banks, savings banks, trust funds, insurance companies, and other institutions These considerations must continue to control the determinations of public debt management policy

In the short-term interest field, there is some greater latitude In that area, financial and economic considerations permit a reasonable adjustment of that rate up or down as the needs develop It is a delicate mechanism with vast potentials and should be used with great prudence and keen understanding of the effect of every move

In conclusion, I revert to basic considerations of fiscal policy as they relate to receipts and expenditures Broad economic considerations should have first place It is inconceivable that we would take the risk of placing on top of the inflationary pressures growing out of the financing of the war new inflationary pressures that will grow out of deficit financing The dangers are too great The alternatives are clear We must either make up any difference between receipts and expenditures through further taxation or resort to the strait-jacket of rigid controls of our economy Even with such controls, sound fiscal policy dictates that any deficits be financed through mobilizing the savings of the country, and particularly of individuals, insofar as that is possible If resort must be had to the banks, the borrowing should be through short-term, low yield obligations, such as bills and certificates, which would be appropriate both from the standpoint of the cost to the Government and their place in bank portfolios

The task ahead in the administration of a sound and effective fiscal policy is not an easy one To meet the current and the new situations that may develop, we shall need skill and wisdom More than that, we shall need restraint on the part of the business and banking community, on the part of labor, on the part of Government, and on the part of the consuming public And all of us will need and should seek divine guidance

In our efforts to provide economic stability at home and abroad and to utilize our resources for the high purposes of promoting world peace and world prosperity, a common sacrifice lies ahead to protect this Nation from any weakening of its economy and to guarantee that our great strength, which is the hope of mankind, shall be preserved

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Exhibit 39 —Address by Secretary of the Treasury Snyder before the annual conference of the National Association of Mutual Savings Banks, Atlantic City, N J, May 24, 1948, on mutual savings banks and the public debt

Our common obligation today is to encourage production and general business health Millions of people everywhere are looking to the United States to safeguard the tangibles of decent, human living We are making every effort to reduce the extent of economic disorder and political disturbance wherever we can The next few months will be extremely significant ones They should determine the success of these efforts For this reason, we must not allow domestic partisanship and disagreements, normal to an American election period, to endanger our greater aims For, if the American economy is to gain the necessary growth and advancement, we must have genuine cooperation between management, labor, farming, and government—and have it under the normal processes of our free enterprise system And the first requirement to such cooperation is a keenly interested and alert citizenry, deeply conscious of the Nation's need for economic solidarity

Some people insist that the government should keep completely aloof from the economic system of the Nation—that it should confine its role virtually to one of keeping the peace and carrying the mails This is not my idea of the role of government, nor of the relationship that ought to exist between government and business in our ever expanding economic development Good government can and should provide what we can call "rules of the game", and enforce such rules, it can encourage economic development, it can provide safeguards against depression and assist in recovery should depression nevertheless develop, and it can take the lead in mitigating the dread of personal insecurity in an industrial society

As a public official, I regard as especially important the close relationship of business to government, and the methods by which our inter-dependent operations may achieve the most beneficial results As in the case of other governmental departments, the Treasury is constantly seeking the counsel and active assistance of various business organizations throughout the Nation A financial cross section of the country is represented in our advisory committees, which include industrialists, life insurance groups, Government security dealers, and bankers in the investment, commercial and savings fields And I want to say here, that I, personally, have had no more valuable counsel than that given me by members of consulting committees on Government borrowing, in the course of their periodic visits to the Treasury My several meetings with your own committee, functioning under the chairmanship of Mr Bruere, have been most beneficial Tho Treasury is fully aware of the extent of the assistance which has been rendered by your banks And we are assured, because of your long impressive history as owners of Federal securities as well as your interest in the financial welfare of your depositors, that we may count upon your continued active help

There is one particular form of assistance offered the Treasury by banks in general which, because of its wide importance, I should like to mention here I refer to your cooperation in certain of our efforts to protect the integrity of the Federal revenues You of course know that the solvency of this Government depends upon the fair and proper collection of the internal revenue Evasion of the taxation laws, if permitted to go unchecked, could easily become disastrous For this realistic reason, the banks and other financial institutions were called upon to accept with the Treasury their equal responsibility in tax enforcement

One specific request was for Treasury Currency Reports to be supplied, through the Federal Reserve System, in the case of unusual currency transactions On the whole, the plan has accomplished worthwhile results For while it has not disturbed healthy and legitimate banker-customer relationships, it has resulted in the disclosure of a large number of tax fraud cases and the collection of extensive amounts of revenue which tax evaders sought to withhold It is very important that you bankers fully realize the significance of these TCR reports to the Trsasury, for our tax collection work in this division would be far more complicated if this special information were not made available to us Two instances alone will give you the measure of the importance of these reports to the Treasury in tracking down tax evaders In one instance, a midwestern business man had converted his profit into large currency holdings which were detected through one of your reports, thus resulting in accumulating evidence that led to a quarter of a million dollars in tax assessments, plus recommendation for criminal prosecution Another case was that of an operator of a large chain of restaurants in an eastern city who was reported to have been making large currency deposits This disclosure led to evidence that resulted in the collection of $7 million in taxes, as well as prison sentsnees for several persons So in asking that you continue your essential participation in this tax enforcement division, we are only protecting your own millions of depositors and assisting you to discharge your obligation to them

The National Association of Mutual Savings Banks represents the custodians of $18 billion of savings by the American public You, the custodians, are assemblsd here 132 years after the founding of the first mutual savings institution ever to open its doors in this country This occasion, then, is another milestone in your history—a history of long and successful guardianship over the financial affairs of the average citizen I am happy indeed to have ths privilege of addressing a company with so distinguished a record of public service

When mutual savings banks were first organized in the years following 1816, many of their charters provided that their investments could be only in United States Government securities and in the securities of the State in which they were organized But then, as now, the problem of securing an adequate return was paramount in portfolio management, and the banks soon found it necessary to ask that their charters be broadened to permit investment in mortgages and othsr securities As legendary as covered wagons and coonskin caps are some of the early techniques of savings banking—techniques that appear engagingly simple compared with those of the present It is improbable today that any of you would deem it advisable to restrict depositors to "widows, orphans, single women, and minors", as one of the oldest institutions felt obliged to do at one time Likewise, it is doubtful that any of your trustees would emulate the savings bank of long

years ago that decided to attract customers by paying a one percent higher rate to depositors who were about to be married. And it has been a good many years since a savings bank has offered to present new accounts with a one dollar free start.

Although the early problems of savings institutions were different from today's problems, they were nonetheless very real, and it was an earnest, conscientious lot of pioneers who grappled with them, and who laid the foundations of a mutual savings bank system which has become one of the important factors behind our successful modern economy. By the time of the Civil War, the mutual savings banks felt strong enough to offer substantial support to the Federal Government, as they have in all critical periods since. We learn from the records of those years that officials of the New York savings banks met in 1861 to determine the amounts in new Federal issues for which they would subscribe. In the words of their historian, the trustees of one large bank observed with cogent logic that "the public was looking to conservative savings banks for an expression of confidence in these Government securities." This same bank, it might be noted, subsequently followed up its own hint and increased its holdings of Federal securities to nearly half of its total deposits at that time. By 1890, a quarter of a century later, all savings banks, including stock savings banks, held approximately $140 million or 20 percent of the total interest-bearing debt of the United States in their portfolios. And, in a number of other years for which data are available, they accounted for similarly large proportions of the total amount of Federal obligations.

Today, many of your banks have as much as three-fourths of their assets invested in Federal securities, while your combined ownership of $12 billion is four times as great as it was before the war. Mutual savings banks now hold about 5 percent of the total public debt, which stands at $252 billion. Consequently, factors which affect the field of Government securities and public debt management will sharply affect the situation of the banking institutions represented here. This is, of course, likewise true of other financial institutions. And, in a much broader sense, it is also true of individuals. Individual citizens directly own more than $66 billion of Federal securities. In addition, they have an indirect stake in a much larger portion of the public debt securities outstanding because of their savings and deposits in mutual savings banks, commercial banks, insurance companies, and other financial institutions which own Federal securities. This widespread distribution of the public debt gives every person in the United States a vital interest in the debt and in its proper management. It gives every individual an immediate and personal incentive for seeing that the financial affairs of the Government are handled wisely. And it places upon the Federal Government a grave responsibility for proper debt management and for the sound conduct of all of its financial affairs.

I should like to review the history of the management of the debt since the debt reached a peak of $280 billion in February 1946. The Victory Loan of two months earlier had been our last great drive for funds. War costs had begun to taper off, and we no longer needed a Treasury cash balance of the proportions for which the emergencies of the preceding years had called. A debt pay-off program was therefore inaugurated. It has brought the debt down to the current total of $252 billion. This pay-off program which we have carried out fell into three periods. From the end of February 1946 to the close of the year, the debt was reduced by $20 billion through the application of cash funds received from the Victory Loan. During the calendar year 1947, the next phase of the pay-off program, we were able to cut the debt by $2.5 billion. The cash left over from the Victory Loan had been expended by this time, so that debt reduction during 1947 had to come from the budget surplus—and was, in fact, just about equal to that surplus. The third phase of the debt pay-off program occurred during the first four months of this year. In those few months, we reduced the debt by $4.7 billion—almost twice the reduction for the entire calendar year 1947. The money for this program came from our budget surplus of $6 billion accumulated since January 1, 1948. The rest of the surplus has been added temporarily to the cash balance. Part of this remainder may eventually be used for debt reduction—although some of it will be needed to meet new requirements for national defense and international aid during the months to come.

As bankers, I am sure that all of you are familiar with the policy behind the debt pay-off program as it has been conducted. Increasing inflationary pressures in the economy during the past two years have made it imperative that fiscal and monetary policy be directed to combating further increases in price. The very fact that the Treasury was receiving more money in taxes than it was paying

out through its expenditures was of major anti-inflationary importance. Hand in hand with this development has been our Treasury policy, during the period, of aiming at a reduction in the Federal security holdings of the commercial banking system. In seeking to achieve this objective, we have found that our wartime program of fitting securities to the needs of the various investors has paid dividends. You will remember that during the war we issued a large volume of short-term bills and certificates to the banking system. As a result, our job of paying off the debt held by banks has been considerably simplified. It is gratifying to us that, since the peak of the debt, nonbank holdings of Federal securities have gone up by about $3 billion, so that the reduction in holdings by commercial and Federal Reserve Banks has actually been greater than the reduction in total public debt. On February 28, 1946, commercial and Federal Reserve Banks held $117 billion of Federal securities. At the present time, they hold $86 billion. This decline of $31 billion represents a reduction of more than 25 percent in commercial and Federal Reserve Bank portfolios of Government securities in just a little over two years. This is a substantial achievement. We could hardly have laid out, and we certainly would not have dared forecast, a program as successful as this when we stood at the threshold of debt pay-offs back in 1946.

Now, in May 1948 our debt has been reduced by nearly $28 billion. However, due to certain United States commitments and possible requirements of the near future, the outlook for debt reduction can not now be accurately estimated. The European Recovery Program is just getting under way. Large national defense expenditures will have to be undertaken. The success of these programs is of paramount importance to all of us. Undoubtedly, with a view to sound fiscal management, these expenses should have been financed within a balanced budget. And certainly, if we are to continue to pay off portions of the public debt accumulated during the war, we must do it during a prosperous period such as prevails at the present time. But unfortunately, the combination of tax reduction and increased expenditure probably spells the end of debt reduction from budget surplus during the next year. However, even if over-all debt reduction comes to a halt during the months ahead, it may still be possible for us to shave somewhat further the volume of the marketable debt. As you know, only a portion of the $252 billion of Government indebtedness is in the form of marketable obligations. The remainder is in the form of savings bonds, savings notes, special issues to Government trust funds, and other nonmarketable obligations. This nonmarketable part of the debt may go up by something like $3 billion during the year ahead, thus permitting a reduction in the total of the marketable debt. This is due primarily to the intensity with which we are pressing—and will continue to press—our savings bond campaign. It is also because of the further accumulation of social security money and other Government trust fund receipts.

I should like now to touch briefly on your own position with respect to Government securities. During most of 1947, it was the policy of the Treasury to liquidate some Government trust fund holdings of long-term securities in its program of monetary controls designed to prevent Government bond prices from rising too rapidly. We sold a considerable number of long-term bonds to the various investor classes. Mutual savings banks, as a group, were among the larger purchasers. Since then, mutual savings banks have sold some long-term bonds, on balance, but their total holdings of Federal securities are now only about $100 million less than they were at their all-time peak last summer. All in all, you have added $1 billion to your Government security portfolios during the last two years—mostly in long-term securities. And, a most interesting fact is that this billion dollar increase in Governments has been matched by a billion dollar increase in mortgage loans and other investments. The fact that mutual savings bank assets, as a reflection of deposits, have continued to increase in such volume since the end of the war represents an exceptional expression of public confidence in the services of your institutions. The 1947 increase in mutual savings deposits may seem low as compared with the wartime increases, but it comprises a larger proportion of the total new savings of individuals than was the case during the war. As a matter of record, nearly 10 percent of new individual savings during 1946 and 1947 flowed into mutual savings banks, as against an average of 4 percent for the war years, and only a little more than that for the entire period 1935 through 1940.

Some of you may feel that the Treasury is competing, through the sale of United States savings bonds, for the very same dollars that you are endeavoring to obtain as savings deposits for your banks. When you come right down to it,

however, total savings do not have a ceiling figure, with each of us trying to get as much of the total as possible Savings have been at a high level during 1946 and 1947, particularly in comparison with the prewar years But, as long as the danger of inflation is with us, we hope that totals for 1948 and 1949 will prove even larger Our job of selling savings bonds, your job in expanding mutual savings bank deposits and the jobs of our associates in life insurance and other savings fields are really one and the same Nothing would please us more, for example, than to see the major part of the benefits which taxpayers are receiving from tax reduction invested in increased personal savings, rather than being spent to add fuel to the inflationary fires We are all keenly aware of our united responsibility of impressing upon the public the need for saving a larger share of current income

The whole tenor of the United States Security Loan drive is directed towards the encouragement of personal savings in any practical form We are not acting in competition with other savings institutions The Government's primary purpose in promoting such savings is twofold First, we are endeavoring to cut down consumer demand for goods in short supply, and to absorb generally those inflationary dollars which are a potent danger in our economy Second, we must secure as widespread an ownership in Government securities as is possible, in order to facilitate the management of our national debt and insure a strong fiscal position I therefore have no hesitancy in asking that you bankers continue the fine support which you have rendered the savings bond program in the past—support which I well realize has been many times freely given at considerable inconvenience The present campaign will undoubtedly prove harder to carry on than those of the war years, and definitely will require greater efforts and activities of people in every field of national endeavor Here, then, is a challenge —one which you, as savings bankers, are particularly qualified to meet

In the 132 years since the first mutual savings bank was founded in this country, your institutions have played a constructive role in securing to the American citizens his enviable standards of living Your organizations have grown steadily in size and in importance, until today, with a total of 533 banks throughout the United States, with depositors numbering 18 million, and with total assets of over $20 billion, your position is one of unquestioned influence Since their inception, the mutual savings banks have actively participated in the fiscal affairs of this Government, and have outstandingly contributed to the financial welfare of the individual This record of your splendid past achievements is indisputable proof that you will equal and excel your previous efforts toward the progress and development of this Nation

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Exhibit 40—Joint statement, November 24, 1947, by the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Executive Committee of the National Association of Supervisors of State Banks, on bank credit policy during the *inflation*

Our country is experiencing a boom of dangerous proportions The volume of bank credit has been greatly inflated in response to the needs for financing the war effort Domestic and foreign demands for goods and services are exerting a strong upward pressure on prices in spite of the high volume of our physical production These demands would be inflationary without any further increase in the use of bank credit, but the demand is being steadily increased through continued rapid expansion in bank loans, in addition to other factors outside the control of the banking system

A substantial increase in production, agricultural as well as industrial, would be highly beneficial However, increases can only take place slowly and to a limited degree In industry, they are dependent upon corresponding increases in the available supply of basic raw materials, plant capacity, and the number and productivity of the labor force Therefore a further growth of outstanding bank credit tends to add to the already excessive demand and to make for still higher prices

The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Executive Committee of the National Association of Supervisors of State Banks are unanimously of the view that present conditions require the bankers of the country to exercise extreme caution in their lending policies It is at times such as these that bad loans are made and future losses become inevitable

It is recognized that a continued flow of bank credit is necessary for the production and distribution of goods and services The banks of the country have adequately met this important need in the reconversion period Under existing conditions, however, the banks should curtail all loans either to individuals or businesses for speculation in real estate, commodities, or securities They should guard against the over-extension of consumer credit and should not relax the terms of installment financing As far as possible extension of bank credit under existing conditions should be confined to financing that will help production rather than merely increase consumer demand

The bank supervisory authorities strongly urge directors to see that their banks follow these policies and maintain adequate capital in relation to risk assets

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Exhibit 41 —Correspondence between Secretary of the Treasury Snyder and Mr Joseph M Dodge relative to the voluntary credit control program of the American Bankers Association (press release July 19, 1948)

Secretary Snyder today made public the following correspondence between himself and Mr Joseph M Dodge, President of the American Bankers Association

July 2, 1948

Dear Mr Dodge This letter is to express my appreciation for the voluntary credit control program of the American Bankers Association and to outline the circumstances, familiar to both of us, which now require that the effort under this program be continued without relaxation

The American Bankers Association credit control program began the first of this year and has been pushed actively and aggressively by the Association through pamphlets and printed material, group meetings, and by word-of-mouth of the leaders of the banking fraternity Bankers in all parts of the country have been influenced by the program and have screened their loan applications with added vigilance The results have been well worth the effort During the first five months of this year, the total loans of all commercial banks advanced by only \$1,350 million, while their investments fell by \$3,250 million As a consequence, there was a substantial decline in the money supply of the country during the period, contributing materially to containing inflationary pressures

As you know, inflationary pressures still continue serious, but the Government will no longer be able to contribute substantially to their control by means of an excess of receipts over expenditures In the fiscal year which just closed, we had such an excess of \$8 4 billion On the other hand, in the fiscal year just commencing, as a result of increased defense and foreign-aid expenditures due to the tense international situation, combined with the recent tax cut, we shall probably be unable to avoid an actual excess of expenditures over receipts

As a consequence, the Government will no longer be able to retire bank-held debt on the scale maintained during the last fiscal year, and bankers can no longer look to a decline in their investments to offset an increase in their loans A much larger share of the total burden of controlling inflation must henceforth lie with the banks

Bearing this in mind, and with full realization of the seriousness of the situation, I am taking the liberty of asking you to reexamine your efforts in this field, and wherever possible to increase them The final responsibility, and it is a grave one, must rest with the self-discipline of each individual bank Your effort to impress this upon the banking fraternity will be a real contribution to the cause of economic stability

Sincerely yours,

John W Snyder,
Secretary of the Treasury

Mr Joseph M Dodge,
President, American Bankers Association,
12 East 36th Street, New York 16, New York

July 7, 1948

The Honorable John W Snyder
Secretary of the Treasury, Washington, D C

Dear Secretary Snyder Thank you for your letter of July 2 about the need for continued effort on the part of the banks to control credit expansion Your comment about the voluntary program of the American Bankers Association is much appreciated

I will see that your letter is brought to the direct attention of the appropriate officers of the banks of the country

We have had the complete cooperation and support of the State Bankers Associations in carrying this program to the individual banks through State, group, and other local meetings The scope of their work has been tremendous, and it has been made effective by the ready acceptance of the principles by the individual bank managements

However, I am sure we all realize that the emphasis of the spring meeting period is over The first six months of this calendar year have passed and now we are going into the second six months, which is the first half of the 1948–1949 fiscal year We can not fail to recognize the substantial change in the fiscal picture, which is mentioned in your letter, and that the period ahead of us will present a test of whether inflationary forces can be controlled and checked Certainly recent events and forecasts suggest that the longer-term outlook can be dangerously inflationary

The American Bankers Association and the banks will continue and intensify their cooperative action to control the proper use and expansion of credit, and will continue to stimulate increased savings

Again I am urging the banks to scrutinize credit carefully to the effect that its use will be restricted to that which stimulates immediate production and avoids increasing the pressures on consumption, except in areas of free supply Under present conditions the extension of credit in the commercial, agricultural, or consumer fields undoubtedly requires continued emphasis on selectivity, and restriction to sound the necessary purposes

In particular I am asking the banks not to contribute to rising prices, fictitious values, or false standards of living from the use of credit, to maintain a general and consistent pressure for loan liquidation and the fulfillment of payment commitments, to watch the inventory and accounts receivable accumulations of borrowers, to scrutinize the terms under which borrowers themselves extend credit, to relate mortgage loans to sound and realistic values, and to make consumer credit loans on conservative terms In all cases the total obligations of borrowers should be held well within their capacities to pay

Also, I am asking the banks to use every effort to encourage investment in Government savings bonds and in savings deposit accounts Savings are particularly important because the more saved now, the more people will have—and the less they spend, the greater will be the future purchasing power of their savings and incomes

Everyone knows that the further prices and debts get out of line, the greater the probability of a drastic correction which will bring severe penalties, particularly to the over-extended borrower Individuals, businesses, and the Nation all need stability as much as or more than they need prosperity This is a time in which we can not afford personal or business deficits any more than we can afford Government budget deficits

Our stability can only be maintained by a combination of good judgment and a deliberate restraint The fundamentally sound and flexible financial position of borrowers and banks is the basic protection for all unexpected future economic changes

Of course there is no way the banks can undo the inflationary forces already in effect or which may come into effect from other sources Also the present level of our economic activity and prices requires substantial uses of credit But bankers acknowledge the fundamental responsibility to maintain sound assets and a substantial liquidity, and to avoid credit abuses

You can be assured of our continued cooperation in meeting the inflationary problem

Sincerely yours,

JOSEPH M DODGE

ORGANIZATION AND PROCEDURE

Exhibit 42.—Supervision of bureaus, offices, and divisions of the Treasury Department, February 16, 1948

[Department Circular No. 244. Revised]

TREASURY DEPARTMENT,
Washington, February 16, 1948.

To Heads of Bureaus, Offices, and Divisions, Treasury Department:

1. The following assignments of bureaus, offices and divisions of the Treasury Department are hereby ordered:

Under Secretary
1. Bureau of Internal Revenue
2. Bureau of Customs
3. Office of the Technical Staff
4. Division of Tax Research
5. United States Savings Bonds Division

Assistant Secretary
1. United States Coast Guard
2. United States Secret Service
3. Bureau of Federal Supply
4. Bureau of the Mint
5. Bureau of Engraving and Printing
6. Bureau of Narcotics
7. Chief Coordinator, Treasury Enforcement Agencies
8. Comptroller of the Currency
9. Committee on Practice

Fiscal Assistant Secretary
1. Bureau of Accounts
2. Bureau of the Public Debt
3. Office of the Treasurer of the United States

Administrative Assistant to the Secretary
1. Office of Administrative Services
2. Division of Personnel
3. Budget Division

General Counsel
1. Legal Division
2. Office of the Tax Legislative Counsel
3. Office of Contract Settlement, Appeal Board, and Contract Settlement Advisory Board

Director, Office of International Finance
1. Office of International Finance (including Foreign Funds Control)

2. The following Treasury officials shall report directly to the Secretary:
(a) The Under Secretary
(b) The Assistant Secretary
(c) The Fiscal Assistant Secretary
(d) The Assistants to the Secretary
(e) The Administrative Assistant
(f) The General Counsel
(g) The Director, Office of International Finance
(h) The Director of Public Relations

3. An Assistant to the Secretary, also known as National Director, will supervise the United States Savings Bonds Division and will report to the Secretary through the Under Secretary.

4. In case of the absence or sickness of the Secretary, the Under Secretary will act as Secretary of the Treasury. In case of the absence or sickness of the Secretary and the Under Secretary, the senior Assistant Secretary present will act as Secretary. In case of the absence or sickness of the Secretary, the Under Secretary, and the Assistant Secretaries, the General Counsel for the Department will act as Secretary.

5 In case of the absence or sickness of the Fiscal Assistant Secretary, or a vacancy in that office, the Under Secretary will act as Fiscal Assistant Secretary In case of the absence or sickness of both the Under Secretary and the Fiscal Assistant Secretary, or of vacancies in those offices, the senior Assistant Secretary present will act as Fiscal Assistant Secretary

6 This circular supersedes Treasury Department Circular No 244, dated July 15, 1943

JOHN W SNYDER,
Secretary of the Treasury

Exhibit 43 —Treasury Department orders relating to organization and procedure

NO 86, JULY 10, 1947, ESTABLISHING THE OFFICE OF INTERNATIONAL FINANCE

1 By virtue of the authority vested in me by section 161 of the Revised Statutes and as Secretary of the Treasury, I hereby establish in the Treasury Department the Office of International Finance which shall have separate administrative status subject to the usual departmental controls The Office will function under the immediate supervision of the Director, Office of International Finance, who will report directly to the Secretary of the Treasury

2 The Director, Office of International Finance, shall be responsible for advising and assisting the Secretary of the Treasury in the formulation and execution of policies and programs relating to the responsibilities of the Treasury Department in the international financial and monetary field, including in particular the policies and programs arising in connection with

A The Bretton Woods Agreements Act, the National Advisory Council on International Monetary and Financial Problems, the International Monetary Fund, the International Bank for Reconstruction and Development and all other matters related to foreign lending, financial, monetary, or exchange activities,

B The Anglo-American Financial Agreement and other international loans and financial assistance programs of this Government,

C The administration of Foreign Funds Control pursuant to sections 3 and 5(b) of the Trading with the Enemy Act, as amended, and any proclamations, orders, regulations, or rulings that have been or may be issued thereunder,

D Administration and operation of the United States exchange stabilization fund,

E Statutes and regulations relating to gold, silver, exchange rates, exchange stabilization operations and agreements, acquisition and disposition of foreign currencies, international capital movements, monetary policy, the position of the dollar in relation to foreign currencies, and international trade and commercial policy, including trade agreements, antidumping measures, and countervailing duties,

F The financial aspects of international treaties, agreements, organizations, or operations in which the United States Government participates,

G Foreign areas controlled or administered by the United States Government,

H Obtaining current information concerning the financial position and exchange and other controls of foreign countries and developments in their financial and economic life having a bearing upon the United States financial or monetary policy, and preparing analyses and recommendations based thereon,

I Conducting negotiations with foreign governments with respect to the foregoing responsibilities,

J Maintaining such Treasury representatives abroad as may be required to assist in discharging the foregoing responsibilities, and directing and coordinating their activities

The Director shall also be responsible for acting as liaison with foreign governments and with the State Department and other interested United States Government departments and agencies with respect to the foregoing responsibilities

3 The functions, duties, and personnel of the Division of Monetary Research in the Office of the Secretary of the Treasury are hereby transferred to the Office

of International Finance, and the Division of Monetary Research is hereby abolished

4 Foreign Funds Control, with its functions, duties, and personnel, is hereby transferred to the Office of International Finance

5 This order shall be effective July 15, 1947

6 This order revokes Treasury Department Order No 70, dated August 20, 1946, and to the above extent modifies Treasury Department Orders No 18, dated March 25, 1938, and No 47, dated September 22, 1942 This order shall not affect the existing procedures, functions, duties, or responsibilities of any other organization within the Treasury Department

JOHN W SNYDER,
Secretary of the Treasury

No 87, JULY 10, 1947, APPOINTING THE DIRECTOR AND ASSISTANT DIRECTORS OF THE OFFICE OF INTERNATIONAL FINANCE

Mr Frank A Southard, Jr, is hereby appointed Director, Office of International Finance, established under the provisions of Treasury Department Order No 86, dated July 10, 1947

The following are hereby appointed Assistant Directors, Office of International Finance

Mr Harold Glasser
Mr John S Richards
Mr Orvis A Schmidt

In addition to performing his duties and responsibilities as Assistant Director, Office of International Finance, Mr Richards will continue to serve as Director of Foreign Funds Control, in which capacity he will report to the Director, Office of International Finance

The foregoing appointments shall be effective July 15, 1947

JOHN W SNYDER,
Secretary of the Treasury

No 88, JULY 10, 1947, CONTINUING THE DUTIES OF THE SPECIAL ASSISTANT TO THE SECRETARY

Mr Andrew N Overby shall continue to serve as Special Assistant to the Secretary, reporting directly to the Secretary, and shall perform such functions and duties as may be assigned from time to time

JOHN W SNYDER,
Secretary of the Treasury

No 89, AUGUST 1, 1947, DESIGNATING THE GENERAL COUNSEL OF THE TREASURY DEPARTMENT

Effective August 2, 1947, Mr Thomas J Lynch is hereby designated to act as the General Counsel

JOHN W SNYDER,
Secretary of the Treasury

No 90, AUGUST 12, 1947, MEMBERSHIP OF COMMITTEE ON TREASURY RECRUITMENT POLICY

On December 18, 1946, the Secretary of the Treasury appointed a permanent Committee on Treasury Recruitment Policy The functions of the Committee are to act as a policy group in connection with the Treasury's long-range recruitment program and to keep the Secretary of the Treasury advised of progress made Effective immediately the membership of the Committee shall be the following

E H Foley, Jr, Assistant Secretary—Chairman
E F Bartelt, Fiscal Assistant Secretary
Thomas J Lynch, Acting General Counsel
William W Parsons, Administrative Assistant to the Secretary
James H Hard, Director of Personnel

The members of the Committee may appoint delegates and form a working group or groups to assist it with the various detailed programs

This order amends the memorandum addressed to Assistant Secretary Foley by the Secretary of the Treasury on December 18, 1946, with reference to the appointment of the Committee

JOHN W SNYDER,
Secretary of the Treasury

No 91, AUGUST 29, 1947, APPOINTING THE DEPUTY DIRECTOR OF CONTRACT SETTLEMENT

Pursuant to Reorganization Plan No 1 of 1947 and section 4 (d) of the Contract Settlement Act of 1944 (58 Stat 651, 41 U S C 104), I hereby appoint Stephen J Spingarn as Deputy Director of Contract Settlement, effective September 2, 1947

Treasury Department Order No 84 is hereby revoked

JOHN W SNYDER,
Secretary of the Treasury

No 92, SEPTEMBER 23, 1947, ESTABLISHING THE OFFICE OF THE TECHNICAL STAFF

By virtue of the authority vested in me by section 161 of the Revised Statutes and as Secretary of the Treasury, I hereby establish in the Office of the Secretary of the Treasury the Office of the Technical Staff, which will function under the immediate supervision of the Director of the Technical Staff

The Director of the Technical Staff has the responsibility of providing technical assistance for the Secretary, the Under Secretary, and other Treasury officials on matters relating to Treasury financing, public debt management, and other Treasury matters, including in particular the following

1 Developments in the outlook for the fiscal and budgetary position of the Treasury, and proposals concerning the size and character of Treasury borrowing operations, both cash and refundings,
2 The impact of Treasury financing and public debt operations on the credit structure and general economy of the country, and the development of fiscal policy and debt management objectives suitable for current economic conditions,
3 The investment position and needs of the various investor classes, their current holdings of Federal securities, and the types of securities suited to the needs of different types of investors,
4 The terms of proposed securities to be offered in Treasury financings, and their probable effects upon the market price and ownership distribution of outstanding Government securities,
5 The relationship of new securities to the Federal debt structure and interest costs thereon,
6 The interest rate structure of the country, and current trends in the money markets and in the banking position,
7 Financing operations of Government corporations and credit agencies,
8 Trends in Treasury receipts from different sources, and estimates for specific periods of time,
9 Probable effects of proposed legislation upon Treasury receipts,
10 Actuarial matters involved in Treasury financing and other Treasury operations, including actuarial estimates for Federal trust funds required by statute,
11 Other matters, including general considerations of the effects of Treasury operations on business conditions, credit conditions, employment, and the financial structure of the country, which may be involved in requests to the Director of the Technical Staff from Treasury officials

The Office of the Technical Staff supersedes the Division of Research and Statistics in the Office of the Secretary, which is hereby abolished, and Treasury Orders No 8, dated September 17, 1934, and No 18, dated March 25, 1938, are modified accordingly This order shall not affect the existing procedures, functions, duties, or responsibilities of any other organization within the Treasury Department

Accordingly, the title of the Director of Research and Statistics is changed to Director of the Technical Staff

A L M WIGGINS,
Acting Secretary of the Treasury

No 93, September 26, 1947, Establishing the Office of Administrative Services

By virtue of the authority vested in me by section 161 of the Revised Statutes and as Secretary of the Treasury, I hereby establish, effective October 1, 1947, in the Office of the Secretary of the Treasury the Office of Administrative Services, which shall function under the immediate supervision of the Director of Administrative Services

The Office of Administrative Services shall be composed of the following three Divisions (1) Division of Office Services, (2) Division of Treasury Buildings, (3) Division of Treasury Space Control These Divisions shall function under the supervision of the following three officials, each assigned to the respective Divisions (1) Chief, Division of Office Services, (2) Superintendent, Division of Treasury Buildings, (3) Chief, Division of Treasury Space Control

All functions, duties, and authorities formerly assigned or delegated to the Chief Clerk, or exercised by him, are hereby transferred, assigned, and delegated to the Director of Administrative Services The Chief and Assistant Chief of the Division of Office Services are hereby authorized to perform all such functions, duties, and authorities under the supervision and by the direction of the Director of Administrative Services

There are hereby transferred to the Office of Administrative Services all of the functions and duties formerly assigned to the following

(1) Office of the Chief Clerk
(2) Office of the Superintendent of Treasury Buildings
(3) Space Control Staff in the Office of the Secretary, which under the direction of the Administrative Assistant to the Secretary exercised the authority delegated to the latter official to manage and coordinate the assignment and utilization of all space occupied by Treasury organizations in Washington and in the field in federally or commercially owned buildings
(4) Such other administrative service functions as the Administrative Assistant to the Secretary shall determine from time to time, in the interest of economy and efficiency, should be assigned to the Office of Administrative Services The Director of Administrative Services, with the approval of the Administrative Assistant to the Secretary, shall assign these latter functions to the appropriate divisions in the Office of Administrative Services

All funds available for the operation of the Office of the Chief Clerk, Office of the Superintendent of Treasury Buildings, and the Space Control Staff in the Office of the Secretary shall continue to be available, under the supervision of the Director of Administrative Services, to carry out the functions and purposes for which such funds were appropriated

The personnel assigned to the Office of the Chief Clerk, the Office of the Superintendent of Treasury Buildings, and the members of the Space Control Staff in the Office of the Secretary are hereby transferred to the Office of Administrative Services, effective October 1, 1947

The Office of the Chief Clerk, the Office of the Superintendent of Treasury Buildings, and the Space Control Staff in the Office of the Secretary are hereby abolished effective October 1, 1947

The Director of Administrative Services shall report to the Administrative Assistant to the Secretary

Treasury Department Orders No 4, dated December 26, 1933, No 16, dated May 20, 1937, No 27, dated November 30, 1939, and No 59, dated March 3, 1945, are hereby amended and superseded accordingly Any other Treasury orders or circulars in conflict with this order are hereby revoked

A L M Wiggins,
Acting Secretary of the Treasury

No 94, November 14, 1947, Establishing Position of Deputy Director, Office of International Finance

1 The Director, Office of International Finance, shall be assisted in discharging his responsibilities and duties, as outlined in Treasury Department Order No 86, dated July 10, 1947, by a Deputy Director, Office of International Finance The Deputy Director, in addition to his other duties, shall serve as Secretary of the National Advisory Council on International Monetary and Financial Problems

2 The Director of Foreign Funds Control shall continue to supervise the operations of Foreign Funds Control and shall report to the Director, Office of International Finance

3 Treasury Department Order No 87, dated July 10, 1947, except with reference to the appointment of the Director, Office of International Finance, is hereby superseded and revoked

4 This order shall be effective November 17, 1947

John W Snyder,
Secretary of the Treasury

No 94, Revised, February 20, 1948, Establishing Position of Deputy Director, Office of International Finance

Treasury Department Order No 94, dated November 14, 1947, is hereby revised to read as follows

1 The Director, Office of International Finance, shall be assisted in discharging his responsibilities and duties, as outlined in Treasury Department Order No 86, dated July 10, 1947, by a Deputy Director, Office of International Finance

2 The Deputy Director, in addition to his other duties, shall serve as Secretary of the National Advisory Council on International Monetary and Financial Problems, and in the absence of the Director, Office of International Finance, shall serve as Acting Director

3 The Director, Office of International Finance, shall also serve as the Director of Foreign Funds Control, and in this capacity shall supervise the operations of Foreign Funds Control In the absence of the Director, Office of International Finance, the Chief, Enforcement Division, Foreign Funds Control, shall serve as Acting Director of Foreign Funds Control

4 Treasury Department Order No 87, dated July 10, 1947, except with reference to the appointment of the Director, Office of International Finance, is hereby superseded and revoked

5 The provisions of this order shall be effective March 1, 1948

John W Snyder,
Secretary of the Treasury

No 95, December 29, 1947, Changing the Physical Custody of Unissued Federal Reserve Notes

Effective December 28, 1947, it is hereby ordered and directed that the physical custody of unissued Federal Reserve notes be transferred from the joint custody of the Director, Bureau of Engraving and Printing, and the Secretary of the Treasury to the joint custody of the Federal Reserve Issue and Redemption Division of the Bureau of the Comptroller of the Currency and the Secretary of the Treasury

Such employees of the Bureau of Engraving and Printing as are now engaged in the physical handling of Federal Reserve notes for deposit and shipment shall be transferred from the Bureau of Engraving and Printing to the Bureau of the Comptroller of the Currency On and after December 28, 1947, the effective date of this transfer, the salaries of these employees shall be paid from the funds in the Federal Reserve Issue and Redemption Account

E H Foley, Jr,
Acting Secretary of the Treasury

No 96, January 29, 1948, Authorizing Certain Officers to Affix the Seal of the Treasury Department to Documents, etc

By virtue of the authority vested in me by section 161 of the Revised Statutes and as Secretary of the Treasury, it is hereby ordered

1 The following officers are authorized to affix the seal of the Treasury Department to books, records, papers, writings, and documents of the Department

(a) Director of Administrative Services

(b) Chief, Division of Office Services

(c) Records Administration Officer, Division of Office Services

2 The above-named officers are authorized to certify and to authenticate originals or copies of books, records, papers, writings, and documents of the Treasury Department

3 Custody of the seal of the Treasury Department is assigned to the Director of Administrative Services

John W Snyder,
Secretary of the Treasury

No 97, April 6, 1948, Confidential Status of Employee Loyalty Records and Information

1 PURPOSE

The President of the United States issued a directive, dated March 13, 1948, to all officers and employees in the Executive Branch of the Government concerning the confidential status of employee loyalty records and information The directive is as follows

"The efficient and just administration of the Employee Loyalty Program, under Executive Order No 9835 of March 21, 1947, requires that reports, records, and files relative to the program be preserved in strict confidence This is necessary in the interest of our national security and welfare, to preserve the confidential character and sources of information furnished, and to protect Government personnel against the dissemination of unfounded or disproved allegations It is necessary also in order to insure the fair and just disposition of loyalty cases

"For these reasons, and in accordance with the long-established policy that reports rendered by the Federal Bureau of Investigation and other investigative agencies of the executive branch are to be regarded as confidential, all reports, records, and files relative to the loyalty of employees or prospective employees (including reports of such investigative agencies), shall be maintained in confidence, and shall not be transmitted or disclosed except as required in the efficient conduct of business

"Any subpena or demand or request for information, reports, or files of the nature described, received from sources other than those persons in the executive branch of the Government who are entitled thereto by reason of their official duties, shall be respectfully declined, on the basis of this directive, and the subpena or demand or other request shall be referred to the Office of the President for such response as the President may determine to be in the public interest in the particular case There shall be no relaxation of the provisions of this directive except with my express authority

"This directive shall be published in the Federal Register"

2 PROCEDURE

(a) Any officer or employee on whom such a subpena, demand, or request is served shall decline to comply, giving as authority therefor the directive of the President He shall then immediately inform the Chairman of the Treasury Loyalty Board, and shall refer to him the subpena, demand, or request (if in writing)

(b) The Chairman of the Treasury Loyalty Board will be responsible for advising the Secretary of the Treasury and the General Counsel of the receipt of such subpena, demand, or request, and for thereafter transmitting such subpena, demand, or request (if in writing) to the Office of the President

E H Foley, Jr,
Acting Secretary of the Treasury

No 98, MAY 25, 1948, AUTHORIZING CERTAIN OFFICERS TO SIGN STANDARD MOTOR VEHICLE CERTIFICATES OF RELEASE

1 By virtue of the authority vested in me by section 161 of the Revised Statutes and as Secretary of the Treasury, I hereby delegate to the following officials[1] of the Treasury Department authority to sign certificates of release (Standard Form No 97) for the transfer of the title of a Government-owned motor vehicle from the Federal Government to a private purchaser

Administrative Assistant to the Secretary
Director of Administrative Services
Commissioner of Accounts
Commissioner of Customs
Director, Bureau of Engraving and Printing
Commissioner of Internal Revenue
Director of the Mint
Commissioner of Narcotics
Commissioner of the Public Debt
Treasurer of the United States
Commandant, U S Coast Guard
Chief, U S Secret Service
National Director, U S Savings Bonds Division

2 Subject to the approval of the Administrative Assistant to the Secretary, the officials[1] listed in paragraph 1 are authorized to redelegate the authority to sign certificates of release to officials and employees under their supervision The heads of the bureaus, offices, and divisions to whom this authority is delegated shall be responsible for advising the proper State motor vehicle administrators of the names and titles of the officials and employees in their organization who are authorized to exercise this authority

JOHN W SNYDER,
Secretary of the Treasury

No 99, JUNE 11, 1948, ABOLISHING THE DIVISION OF PUBLIC RELATIONS AND TRANSFERRING FUNCTIONS TO AN ASSISTANT TO THE SECRETARY

Effective June 1, 1948, the Division of Public Relations in the Office of the Secretary of the Treasury is hereby abolished, and the responsibility for supervising all matters involving information and press matters in the Treasury Department is assigned to an Assistant to the Secretary

The authority, functions, and duties heretofore vested in and directed by the Director of Public Relations are hereby transferred and assigned to such Assistant to the Secretary as the Secretary of the Treasury may designate to exercise this authority and perform these functions and duties The staff formerly assigned to the Division of Public Relations shall also be assigned to the supervision of such Assistant to the Secretary

This order supersedes and amends all orders and circulars previously issued with reference to the supervision of information and press matters in the Treasury Department

JOHN W SNYDER,
Secretary of the Treasury

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[1] Supplement No 1, June 1, 1948 authorizes Director, Bureau of Federal Supply to sign certificates of release

MISCELLANEOUS

Exhibit 44.—Portions of the act to promote world peace and the general welfare, national interest, and foreign policy of the United States through economic, financial, and other measures necessary to the maintenance of conditions abroad in which free institutions may survive and consistent with the maintenance of the strength and stability of the United States (Public Law 472, approved April 3, 1948)

TITLE I. ECONOMIC COOPERATION ACT OF 1948

* * * * * * *

NATIONAL ADVISORY COUNCIL

SEC. 106. Section 4 (a) of the Bretton Woods Agreements Act (59 Stat. 512, 513) is hereby amended to read as follows:

"SEC. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the 'Council'), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank of Washington, and during such period as the Economic Cooperation Administration shall continue to exist, the Administrator for Economic Cooperation."

* * * * * * *

NATURE AND METHOD OF ASSISTANCE

SEC. 111. (a) The Administrator may, from time to time, furnish assistance to any participating country by providing for the performance of any of the functions set forth in paragraphs (1) through (5) of this subsection when he deems it to be in furtherance of the purposes of this title, and upon the terms and conditions set forth in this title and such additional terms and conditions consistent with the provisions of this title as he may determine to be necessary and proper.

(1) Procurement from any source, including Government stocks on the same basis as procurement by Government agencies under Public Law 375 (Seventy-ninth Congress) for their own use, of any commodity which he determines to be required for the furtherance of the purposes of this title. As used in this title, the term "commodity" means any commodity, material, article, supply, or goods necessary for the purposes of this title.

(2) Processing, storing, transporting, and repairing any commodities, or performing any other services with respect to a participating country which he determines to be required for accomplishing the purposes of this title. The Administrator shall, in providing for the procurement of commodities under authority of this title, take such steps as may be necessary to assure, so far as is practicable, that at least 50 per centum of the gross tonnage of commodities, procured within the United States out of funds made available under this title and transported abroad on ocean vessels, is so transported on United States flag vessels to the extent such vessels are available at market rates.

(3) Procurement of and furnishing technical information and assistance.

(4) Transfer of any commodity or service, which transfer shall be signified by delivery of the custody and right of possession and use of such commodity, or otherwise making available any such commodity, or by rendering a service to a participating country or to any agency or organization representing a participating country.

(5) The allocation of commodities or services to specific projects designed to carry out the purposes of this title, which have been submitted to the Administrator by participating countries and have been approved by him.

(b) In order to facilitate and maximize the use of private channels of trade, subject to adequate safeguards to assure that all expenditures in connection with such procurement are within approved programs in accordance with terms and

conditions established by the Administrator, he may provide for the performance of any of the functions described in subsection (a) of this section—

(1) by establishing accounts against which, under regulations prescribed by the Administrator—

(i) letters of commitment may be issued in connection with supply programs approved by the Administrator (and such letters of commitment, when issued, shall constitute obligations of the United States and monies due or to become due thereunder shall be assignable under the Assignment of Claims Act of 1940 and shall constitute obligations of applicable appropriations), and

(ii) withdrawals may be made by participating countries, or agencies or organizations representing participating countries or by other persons or organizations, upon presentation of contracts, invoices or other documentation specified by the Administrator under arrangements prescribed by the Administrator to assure the use of such withdrawals for purposes approved by the Administrator

Such accounts may be established on the books of the Administration, or any other department, agency, or establishment of the Government specified by the Administrator, or, on terms and conditions approved by the Secretary of the Treasury, in banking institutions in the United States Expenditures of funds which have been made available through accounts so established shall be accounted for on standard documentation required for expenditures of Government funds *Provided*, That such expenditures for commodities or services procured outside the continental limits of the United States under authority of this section may be accounted for exclusively on such certification as the Administrator may prescribe in regulations promulgated by him with the approval of the Comptroller General of the United States to assure expenditure in furtherance of the purposes of this title

(2) by utilizing the services and facilities of any department, agency, or establishment of the Government as the President shall direct, or with the consent of the head of such department, agency, or establishment, or, in the President's discretion, by acting in cooperation with the United Nations or with other international organizations or with agencies of the participating countries, and funds allocated pursuant to this section to any department, agency, or establishment of the Government shall be established in separate appropriation accounts on the books of the Treasury

(3) by making, under rules and regulations to be prescribed by the Administrator, guaranties to any person of investments in connection with projects approved by the Administrator and the participating country concerned as furthering the purposes of this title (including guaranties of investments in enterprises producing or distributing informational media *Provided*, That the amount of such guaranties in the first year after the date of the enactment of this Act does not exceed $15,000,000), which guaranties shall terminate not later than fourteen years from the date of enactment of this Act *Provided*, That—

(i) the guaranty to any person shall not exceed the amount of dollars invested in the project by such person with the approval of the Administrator and shall be limited to the transfer into United States dollars of other currencies, or credits in such currencies, received by such person as income from the approved investment, as repayment or return thereof, in whole or in part, or as compensation for the sale or disposition of all or any part thereof *Provided*, That, when any payment is made to any person under authority of this paragraph, such currencies, or credits in such currencies, shall become the property of the United States Government,

(ii) the Administrator may charge a fee in an amount determined by him not exceeding 1 per centum per annum of the amount of each guaranty, and all fees collected hereunder shall be available for expenditure in discharge of liabilities under guaranties made under this paragraph until such time as all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of this paragraph, and

(iii) as used in this paragraph, the term "person" means a citizen of the United States or any corporation, partnership, or other association created under the law of the United States or of any State or Territory and substantially beneficially owned by citizens of the United States

The total amount of the guaranties made under this paragraph (3) shall not exceed $300,000,000, and as such guaranties are made the authority to realize funds from the sale of notes for the purpose of allocating funds to the Export-Import Bank of Washington under paragraph (2) of subsection (c) of this section shall be accordingly reduced Any payments made to discharge liabilities under

guaranties issued under paragraph (3) of this subsection shall be paid out of fees collected under subparagraph (ii) of paragraph (3) of this subsection as long as such fees are available, and thereafter shall be paid out of funds realized from the sale of notes which shall be issued under authority of paragraph (2) of subsection (c) of this section when necessary to discharge liabilities under any such guaranty

(c) (1) The Administrator may provide assistance for any participating country, in the form and under the procedures authorized in subsections (a) and (b), respectively, of this section, through grants or upon payment in cash, or on credit terms, or on such other terms of payment as he may find appropriate, including payment by the transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the participating country) of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources In determining whether such assistance shall be through grants or upon terms of payment, and in determining the terms of payment, he shall act in consultation with the National Advisory Council on International Monetary and Financial Problems, and the determination whether or not a participating country should be required to make payment for any assistance furnished to such country in furtherance of the purposes of this title, and the terms of such payment, if required, shall depend upon the character and purpose of the assistance and upon whether there is reasonable assurance of repayment considering the capacity of such country to make such payments without jeopardizing the accomplishment of the purposes of this title

(2) When it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat 526), as amended, make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems The Administrator is authorized to issue notes from time to time for purchase by the Secretary of the Treasury in an amount not exceeding in the aggregate $1,000,000,000 (i) for the purpose of allocating funds to the Export-Import Bank of Washington under this paragraph during the period of one year following the date of enactment of this Act and (ii) for the purpose of carrying out the provisions of paragraph (3) of subsection (b) of this section until all liabilities arising under guaranties made pursuant to such paragraph (3) have expired or have been discharged Such notes shall be redeemable at the option of the Administrator before maturity in such manner as may be stipulated in such notes and shall have such maturity as may be determined by the Administrator with the approval of the Secretary of the Treasury Each such note shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the note Payment under this paragraph of the purchase price of such notes and repayments thereof by the Administrator shall be treated as public debt transactions of the United States In allocating funds to the Export-Import Bank of Washington under this paragraph, the Administrator shall first utilize such funds realized from the sale of notes authorized by this paragraph as he determines to be available for this purpose, and when such funds are exhausted, or after the end of one year from the date of enactment of this Act, whichever is earlier, he shall utilize any funds appropriated under this title The Administrator shall make advances to, or reimburse, the Export-Import Bank of Washington for necessary administrative expenses in connection with such credits Credits made by the Export-Import Bank of Washington with funds so allocated to it by the Administrator shall not be considered in determining whether the Bank has outstanding at any one time loans and guaranties to the extent of the limitation imposed by section 7 of the Export-Import Bank Act of 1945 (59 Stat 529), as amended Amounts received in repayment of principal and interest on any credits made under this paragraph shall be deposited into miscellaneous receipts of the Treasury *Provided*, That, to the extent required for such purpose, amounts received in repayment of principal and interest on any credits made out of funds realized from the sale of notes authorized under this paragraph shall be deposited into the Treasury for the purpose of the retirement of such notes

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AUTHORIZATION OF APPROPRIATIONS

SEC 114 (a) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to subsection (c) of this section, to make advances not to exceed in the aggregate $1,000,000,000 to carry out the provisions of this title, in such manner, at such time, and in such amounts as the President shall determine, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder, from funds made available for the purposes of this title

* * * * * * *

(f) In order to reserve some part of the surplus of the fiscal year 1948 for payments thereafter to be made under this title, there is hereby created on the books of the Treasury of the United States a trust fund to be known as the Foreign Economic Cooperation Trust Fund Notwithstanding any other provision of law, an amount of $3,000,000,000, out of sums appropriated pursuant to the authorization contained in this title shall, when appropriated, be transferred immediately to the trust fund, and shall thereupon be considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures The Secretary of the Treasury shall be the sole trustee of the trust fund and is authorized and directed to pay out of the fund such amounts as the Administrator shall duly requisition The first expenditures made out of the appropriations authorized under this title in the fiscal year 1949 shall be made with funds requisitioned by the Administrator out of the trust fund until the fund is exhausted, at which time such fund shall cease to exist The provisions of this subsection shall not be construed as affecting the application of any provision of law which would otherwise govern the obligation of funds so appropriated or the auditing or submission of accounts of transactions with respect to such funds

BILATERAL AND MULTILATERAL UNDERTAKINGS

SEC 115 (a) The Secretary of State, after consultation with the Administrator, is authorized to conclude, with individual participating countries or any number of such countries or with an organization representing any such countries, agreements in furtherance of the purposes of this title The Secretary of State, before an Administrator or Deputy Administrator shall have qualified and taken office, is authorized to negotiate and conclude such temporary agreements in implementation of subsection (b) of this section as he may deem necessary in furtherance of the purposes of this title *Provided*, That when an Administrator or Deputy Administrator shall have qualified and taken office, the Secretary of State shall conclude the basic agreements required by subsection (b) of this section only after consultation with the Administrator or Deputy Administrator, as the case may be

(b) The provision of assistance under this title results from the multilateral pledges of the participating countries to use all their efforts to accomplish a joint recovery program based upon self-help and mutual cooperation as embodied in the report of the Committee of European Economic Cooperation signed at Paris on September 22, 1947, and is contingent upon continuous effort of the participating countries to accomplish a joint recovery program through multilateral undertakings and the establishment of a continuing organization for this purpose In addition to continued mutual cooperation of the participating countries in such a program, each such country shall conclude an agreement with the United States in order for such country to be eligible to receive assistance under this title Such agreement shall provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for—

* * * * * * *

(6) placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis Such special account, together with the unencumbered portions of any deposits which may have been made by such country pursuant to section 6 of the joint resolution providing for relief assistance to the people of countries devastated by war (Public Law 84, Eightieth Congress) and section 5 (b) of the Foreign Aid Act of 1947

(Public Law 389, Eightieth Congress), shall be held or used within such country for such purposes as may be agreed to between such country and the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems, and the Public Advisory Board provided for in section 107 (a) for purposes of internal monetary and financial stabilization, for the stimulation of productive activity and the exploration for and development of new sources of wealth, or for such other expenditures as may be consistent with the purposes of this title, including local currency administrative expenditures of the United States incident to operations under this title, and under agreement that any unencumbered balance remaining in such account on June 30, 1952, shall be disposed of within such country for such purposes as may, subject to approval by Act or joint resolution of the Congress, be agreed to between such country and the Government of the United States,

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Exhibit 45—Letter of the Postmaster General to the Secretary of the Treasury certifying extraordinary expenditures contributing to the deficiencies of postal revenues for the fiscal year 1948

WASHINGTON, D C, *December 2, 1948*

THE HONORABLE THE SECRETARY OF THE TREASURY

DEAR MR SECRETARY Pursuant to the provisions of the act of June 9, 1930 (39 U S C 793), embodied in section 260, Postal Laws and Regulations, the amounts set forth below with respect to certain mailings during the fiscal year ended June 30, 1948, as determined under our present system of estimating, are certified to you in order that they may be separately classified on the books of the Treasury Department

(a) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privileges, including registry fees		
Postage	$53, 195, 697	
Registry fees, including surcharges	23, 412, 641	
		$76, 608, 338
(b) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by		
1 Members of Congress under the franking privilege	$1, 171, 489	
2 By others under the franking privilege	31, 493	
		1, 202, 982
(c) The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the county		772, 837
(d) The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year		90, 929
(e) The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage		459, 129
(f) The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail		17, 088, 124
Total		96, 222, 339

It has not been the practice to include in item (f) the total cost of handling and transporting air mail Under the system of estimating used in prior years the cost of the items considered amounted to $94,490,593 for the fiscal year 1948 This estimate includes only payments to air carriers, personnel costs at air mail fields, and the extra transportation cost involved in getting mail to and from air mail fields Preliminary figures for the fiscal year 1948 indicate that the total cost of handling and transporting air mail, as determined by Cost Ascertainment procedure, amounted to $131,300,000 The combined revenue from foreign and domestic air mail was $77,402,469

Sincerely yours,

J M DONALDSON,
Postmaster General

TABLES

EXPLANATION OF BASES USED IN TABLES

Figures in the following tables are shown on various bases, namely (1) daily Treasury statements, (2) Public Debt accounts, (3) warrants issued, (4) checks issued, and (5) collections reported by collecting officers

Daily Treasury statements —The figures shown in the Daily Statement of the United States Treasury are compiled from the latest daily reports received by the Treasurer of the United States from Government depositaries and Treasury offices holding Government funds The daily Treasury statement, therefore, is a current report compiled from latest available information, and, by reason of the promptness with which the information is obtained and made public, it has come into general use as reflecting the receipts and expenditures of the Government covering a given period and the condition of the Treasury as it is ascertainable from day to day The current assets and liabilities of the Treasurer's accounts are also shown The figures as shown in current daily Treasury statements are the basis for the budget estimates of receipts and expenditures, public debt, and condition of the Treasury submitted to Congress by the President Effective with the beginning of the fiscal year 1947 expenditures of the several departments and establishments serviced by the Division of Disbursement, Treasury Department, are reported in the daily Treasury statement on the basis of checks issued A clearing account is provided to take care of outstanding checks Beginning July 1, 1948, such expenditures are reported as of the day on which checks are issued in payment of obligations, through the use of teletype facilities

Public Debt accounts —On account of the distance of some of the Treasury offices and depositaries from the Treasury, it is obvious that the reports from all offices covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement It is not practicable to delay the publication of the daily Treasury statement in order to include the latest reports It is necessary, therefore, in order to exhibit the actual public debt receipts and expenditures for any given fiscal year, to take into consideration those reports covering the transactions toward the end of the fiscal year concerned which have not been received in the Treasury until the succeeding fiscal year, and to eliminate receipts and expenditures relating to the preceding fiscal year After taking into consideration these reports the revised figures indicate the status of the public debt on the basis of actual transactions during the period under review as reflected by the Public Debt accounts This is known as "the basis of Public Debt accounts"

Warrants issued (receipts) —Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgment for money received into the Public Treasury shall be valid The issuance of warrants by the Secretary of the Treasury, as provided by law, represents the formal covering of receipts into the Treasury

Certificates of deposit covering actual deposits in Treasury offices and depositaries, upon which covering warrants are based, cannot reach the Treasury simultaneously, and for that reason all receipts for a fiscal year cannot be covered into the Treasury by warrants of the Secretary immediately upon the close of that fiscal year It is necessary to have all certificates of deposit before a statement can be issued showing the total receipts for a particular fiscal year on a warrant basis The figures thus compiled and contained in this report are on a warrants issued basis Table 2 for years prior to 1916 shows receipts on this basis

Warrants issued (expenditures) —The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury As the warrants are issued by the Secretary they are charged against the appropriate appropriations provided by law Some of these warrants do not represent actual pay

ments to claimants, but are merely advances of funds to be placed to the credit of disbursing officers of the Government with the Treasurer of the United States for the payment of Government obligations The disbursing officer then issues his check on the Treasurer in payment of such obligations As far as the appropriation accounts are concerned, the warrants issued and charged thereto constitute expenditures, but it will be observed that such expenditures necessarily include unexpended balances to the credit of the disbursing officers

Checks issued (expenditures) —This basis, more than any other reflects the real expenditures of the Government Expenditures for a given fiscal year on the basis of checks issued differ from the corresponding figures on the basis of warrants in that the former include expenditures made by disbursing officers from credits granted during the previous fiscal year, and exclude the amount of unexpended balances remaining to their credit at the end of the fiscal year A detailed explanation of the basis of checks issued will be found on page 89 of the Secretary's report for 1927

Collections reported by collecting officers (receipts) —Statements showing receipts on a collection basis are compiled from reports received by the various administrative offices from collecting officers in the field, such as collectors of internal revenue and collectors of customs These reports cover the collections actually made by these officers during the period specified The collections are then deposited in a designated Government depositary to the credit of the Treasurer of the United States, which depositary renders a report to the Treasurer The reports of the collecting officers and the depositaries do not, of course, coincide, for the reason that the collecting officers make collections during the last few days of the fiscal year which are not deposited until after the close of the fiscal year For this reason the two reports do not agree The receipts are reported on a collection basis merely for statistical purposes and to furnish information as to detailed sources of revenue Classification of such items on the basis of deposits has been found to be impracticable and uneconomical Table 7 shows receipts on a collection basis

DESCRIPTION OF ACCOUNTS THROUGH WHICH TREASURY OPERATIONS ARE EFFECTED

All receipts of the Government are covered into the general fund of the Treasury from which all expenditures are made Receipts and expenditures, however, are classified in the Treasury's records according to the class of accounts through which operations are effected Transactions are segregated in order to exhibit separately those effected through general and special accounts, as contrasted with those effected through trust accounts This classification was first shown for the warrants and checks-issued bases and on the daily Treasury statements beginning with the July 1, 1933, issue, in order to conform to the practice of the Bureau of the Budget In some tables in this report, however, transactions in the three types of accounts are combined for purposes of historical comparison A brief general explanation of the three classes of accounts is presented below

General accounts —The principal sources of general account receipts are income taxes, miscellaneous internal revenue, social security taxes, taxes upon carriers and their employees, and customs duties In addition, a large number of miscellaneous receipts come under this head, including such items as proceeds of Government-owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property, Panama Canal tolls, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, seigniorage on coinage of subsidiary silver and minor coins, etc Moneys represented in the general accounts may be withdrawn from the Treasury only in pursuance of appropriations made by Congress There are five classes of appropriations payable through the general accounts of the Treasury, namely (a) Annual, which are available for incurring obligations only during a specified fiscal year, (b) multiple-year, which are available for incurring obligations for a definite period in excess of one fiscal year, (c) continuing (no year), which are available for incurring obligations until exhausted or until the object for which appropriated has been accomplished, (d) permanent-specific, which are fixed amounts provided for each of a series of years by permanent legislation, without annual action of Congress, and (e) permanent-indefinite, which are indefinite amounts (so much as may be necessary) provided by permanent legislation without annual action

of Congress, such as the indefinite appropriation to cover interest on the public debt

A statement of general account receipts and expenditures is, therefore, in the nature of a general operating statement, and gives a picture of the relationship between the general revenues of the Government and the operating expenditures (including capital outlays and fixed charges) chargeable against them

Special accounts —Special account receipts may be generally defined as funds received under special authorizations of law which may be expended only for the particular purposes specified therein Special account receipts may not be used for the general expenditures of the Government The more important items of receipts included under this heading, from the standpoint of amounts other than those applicable to the retirement of the public debt are the reclamation fund, Alaska Railroad fund, and Mineral Leasing Act under the Department of the Interior, and the national forest funds under the Department of Agriculture There are many other special account receipts of lesser importance Details of these accounts, which are summarized under miscellaneous receipts in table 103, are given in the Combined Statement of Receipts and Expenditures, and Balances

Trust accounts —Trust account receipts represent moneys received by the Government for the benefit of individuals or classes of individuals and are used for purposes specified in the trust Moneys held in trust, being payable to or for the use of beneficiaries only, are not available for general expenditures of the Government There are several classes of trust account receipts, the beneficiaries under which may be either individuals or groups of individuals The accounts may represent (*a*) moneys received directly from or for account of individuals, as in the case of moneys received from foreign governments or other sources in trust for citizens of the United States or others under the act of February 27, 1896, (*b*) moneys collected as revenues and held in trust, such as the proceeds of sales of Indian lands which are held as interest-bearing funds for the benefit of Indian tribes, (*c*) proceeds of grants from the general accounts of the Treasury in pursuance of treaty or other obligations such as the perpetual trust fund created for the Ute Indians under section 5 of the act of June 15, 1880, (*d*) deposits, donations, or contributions for specified purposes, such as funds received for the purchase of lands in the national parks, and (*e*) deposits to be held until appropriate disposition thereof can be made, such as proceeds from the redemption of bonds found and whose owners are unknown

Checking accounts of Government corporations —Commencing with the fiscal year 1947, the practice of reporting net operations of wholly owned Government corporations and certain other business-type agencies on page 3 of the daily Treasury statement was discontinued and thereafter such transactions (except sales or redemptions of their obligations in the market) have been reflected on page 2 of the daily Treasury statement and are included in budget expenditures Expenditures for corporations, the disbursements of which are not handled by the Division of Disbursement, Treasury Department, are reflected in the daily Treasury statement on the basis of checks paid by the Treasurer of the United States

FEDERAL FISCAL

TABLE 1.—*Summary of Federal fiscal operations,*

[On basis of daily Treasury

Fiscal year or month	Budget receipts and expenditures			Trust accounts, etc., net receipts, or expenditures (−) [4]
	Net receipts [2]	Expenditures [3]	Surplus, or deficit (−)	
1932	$2,005,725,437	$4,741,015,145	−$2,735,289,708	−$5,178,050
1933	2,079,696,742	4,681,348,826	−2,601,652,085	−5,069,089
1934	3,115,554,050	6,745,185,092	−3,629,631,043	834,880,108
1935	3,800,467,202	6,591,519,802	−2,791,052,100	402,724,190
1936	4,115,956,615	8,540,505,845	−4,424,549,230	187,068,025
1937	5,028,840,237	7,806,260,952	−2,777,420,714	3,314,109
1938	5,854,661,227	7,031,277,824	−1,176,616,598	98,934,080
1939	5,164,823,620	9,026,981,666	−3,862,158,040	1,209,673,564
1940	5,387,124,670	9,305,143,830	−3,918,019,161	442,538,143
1941	7,607,211,852	r 13,766,484,211	r −6,159,272,358	907,790,781
1942	12,799,061,621	34,289,304,353	−21,490,242,732	−1,012,785,695
1943	22,281,642,709	79,702,073,074	−57,420,430,365	−337,796,138
1944	44,148,920,968	95,572,319,510	−51,423,392,541	−2,221,918,654
1945	46,456,554,580	100,397,470,706	−53,940,916,126	791,293,666
1946	43,037,793,808	63,713,909,417	−20,676,170,609	−523,587,210
1947	43,258,833,189	42,505,045,529	753,787,660	−1,102,524,942
1948				
Excluding transfer to F. E. C. trust fund [6]	44,745,542,077	36,326,072,233	8,419,469,844	−294,342,662
Including transfer to F. E. C. trust fund [6]	44,745,542,077	39,326,072,233	5,419,469,844	2,705,657,338
1947—July	2,397,317,249	3,669,272,066	−1,271,954,817	10,811,156
August	2,536,486,978	3,060,289,380	−523,802,402	878,074,804
September	4,871,592,347	2,932,086,115	1,939,506,232	−814,074,247
October	2,390,265,981	2,445,381,542	−55,115,560	69,380,753
November	2,743,165,715	2,194,250,237	548,915,478	264,815,100
December	4,245,583,470	3,223,941,728	1,021,641,752	−407,508,971
1948—January	4,274,975,985	2,379,157,553	1,895,818,432	259,354,887
February	4,336,256,051	2,401,921,371	1,934,334,680	−194,338,758
March	6,334,354,174	3,546,028,174	2,788,326,000	−86,498,202
April	2,806,481,088	3,108,548,282	−302,067,194	85,984,474
May	2,706,598,232	2,603,825,499	102,772,733	378,033,563
June				
Excluding transfer to F. E. C. trust fund [6]	5,102,464,797	4,261,370,287	841,094,509	−685,217,227
Including transfer to F. E. C. trust fund [6]	5,102,464,797	7,261,370,287	−2,158,905,491	2,314,782,773

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

r Revised.

[1] Guaranteed obligations for 1934–39 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements.

[2] Total budget receipts less amounts appropriated to Federal old-age and survivors insurance trust fund.

[3] Figures exclude amounts for public debt retirements which are chargeable to the sinking fund, etc., under special provisions of law, and include expenditures for "Government corporations (wholly owned), etc. (net)."

[4] Comprises trust accounts, sales and redemptions of securities of Government corporations, etc., in the

OPERATIONS

fiscal yeaı s 1932–48 and monthly 1948

statements [1] see p 393]

Clearing account [5]	Public debt net increase, or decrease (—)	General fund balance not increase or decrease (—)	Levels, end of period			
			General fund balance	Debt outstanding		
				Public debt	Guaranteed obligations [1]	Total
	$2 685,720,052	—$54 746 805	$417,197 178	$19 487 002 444		$19 487,002,444
	3 051 670, 116	445,008,042	862,205 221	22,538,672,560	-	22, 538, 672 560
	4,514 468 854	1 719,717,020	2 581,922,240	27,053,141 414	$680,767,817	27, 733, 909,231
	1,647 751 210	—740 576 701	1,841 345,539	28 700 892 625	4,122 684,692	32, 823 577,816
	5,077 650 869	840 164,664	2,681,510 204	33,778,543,494	4 718,033 242	38, 496, 576,735
	2,646,070 230	—128 036,807	2 553,473,897	36,424,613 732	4,664 604 533	41, 089 218,265
	740 126,583	—887,555 984	2,215,917,918	37 164,740,815	4,852 791,651	42, 017 531,967
	3 274 792 096	622,307 620	2 888,225 533	40,439 532,411	5,450,834 099	45, 890,866,510
	2 527,998 627	—947 482,391	1 890,743,141	42,967,531 038	5,529 070 655	48, 496,601,698
	5 993,912,498	742,430 921	2 633 174,062	48 961,443,536	6 370 252 580	55 331,696 116
	23 461 001,581	357,973,154	2,991,147,216	72 422 445,116	4,568 259 630	76 900,704 746
	64,273 645,214	6,515 418,710	9,506,565,920	136,696,090 830	4 099 943 046	140, 796 033,376
	64 307 296 891	10,661,985 696	20,168 551,622	201,003 387,221	1 623 069 801	202 626 456,522
	57,678 800 180	4,529 177,729	24,697,729 352	258 682 187,410	433,158 392	250, 115 345 802
	10 739 911,763	—10 459 846,056	14,237,883 295	269,422 099 173	476,884,859	269 898,484 033
$554 706,981	—11 135 716 065	—10 929,746,366	3 808 136 920	258 286,383,109	89 520,155	258 375,903 294
—507 106,030	—5 994 136,590	1 623 881 548	4,932,021,477	252 292,246,513	73,460,818	252, 365,707,331
—507 106 030	—5,994 136 506	1 623 884,548	4,932,021,477	252 292 246,513	73,460,818	252, 365 707 331
—145 556 871	1,161 356 669	—239,343 362	3 008,708 507	259 447,739 778	79 971,277	259 527,711,055
—172,963,057	649 392 215	331,601,560	3,400,895,127	260,097 131 993	79 064 542	260 176 190,535
—120 966 091	—952 548,538	551,922 356	3 952,317,483	259 144 588 455	75,059 625	259 220 548 079
213 921 230	—73 546,301	154,640 122	4 106 957 605	259,071,042,154	83,483,916	259,154 526 070
—126 556 615	—859,046 927	—171 872,957	3,935 084 648	258,211 995 228	89 073,864	258,301,069 001
—79 928 830	—1 312 150 373	—838 006,423	3 097,078 225	256,899 844 354	81,409 652	256,981,254 506
222,175 576	—326 179,156	1 551 169 739	4,648 247,964	256 573 665 698	76,948 839	256 650,614,036
—100 732 977	—1,969 154 479	—329 891 533	4 318 856,430	254 604 511 219	78 841,378	254,683 852 598
—52,659 411	—1 614,595 798	1,034 573 538	5 352,930 019	252,989 915 421	78 154 324	253 068 069 744
225 579 323	—750 002 763	—740,506 160	4 612 423 858	252 239 912 657	75,418 477	252 315,331 135
—143,505 065	—8 431,864	333,868,466	4,946 202,325	252,236 480,793	74,596,225	252 311,077,018
—225,918 850	55 765 720	—14,270 848	4 932 021 477	252 292 240,513	73,460 818	252 365,707,331
—225 913 850	55,765,720	—14 270 848	4 932,021,477	252,292,246 513	73 460,818	252 365,707,331

merkot (net), increment on gold seigniorege on silver, and miscellaneous funde and accounts Figures oxclude retirement of national bank notes chargeable egainst increment on gold (fiscal years 1935–39)

[5] Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks, excess of receipts or expenditures (–)

[6] Section 114 (f) of Economic Cooperation Act of 1948 approved April 3, 1948 required that the sum of $3,000,000 000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund ' and considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1940, with consequent effect on the surplus or deficit of those years

RECEIPTS AND

TABLE 2.—*Receipts and expenditures,*

[On basis of warrants issued from 1789 to 1915 and on basis of daily Treasury statements for 1916 and sub
1939 Trust accounts excluded for 1931 and subse

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	Department of the Army (formerly War Department) [4 9]
		Income and profits taxes	Other			
1789-91	$4 899 473			$19 440	$4 418 913	$682 804
1792	3,443 071		$208 943	17 946	3 880 950	1 100,702
1793	4 255 307		337,706	59 010	4 852,923	1,130,249
1794	4,801 065		274 089	850 750	5 431 905	2,639 098
1795	5 588 461		337 755	188 318	6 114,534	2,480,910
1796	6 567 988		475,290	1 334 252	8,377,530	1,260 264
1797	7,549 650		575 491	563 640	8 688 781	1,039 403
1798	7 106 062		644,358	150 076	7 900,496	2,009,522
1799	6 610,449		779,136	157,228	7 546 813	2,466,947
1800	9 080 933		809 396	958 420	10 848 749	2,560 879
1801	10 750 779		1 048,033	1 136 519	12,935 331	1 672,944
1802	12 438 236		621 898	1,935,959	14 995 794	1,179,148
1803	10 479 418		215 180	369 500	11,064 098	822,056
1804	11 098 565		50 941	676 801	11,826,307	875 424
1805	12,936 487		21 747	602 459	13,560,693	712,781
1806	14,667 698		20 101	872,132	15 559 931	1,224 355
1807	15 845 522		13,051	539 446	16 398 019	1 288 685
1808	16 363,551		8 211	688,900	17,060 662	2,900 834
1809	7 296 021		4 044	473 408	7,773,473	3 345,772
1810	8,583,309		7 431	793 475	9,384 215	2,294 324
1811	13 313,223		2 296	1 108 010	14 423,529	2 032,828
1812	8 958 778		4 903	837,452	9 801 133	11 817 798
1813	13 224 623		4,755	1,111 032	14,340,410	19 652 013
1814	5 998,772		1 662,985	3,519 868	11 181 625	20 350,807
1815	7 282 942		4,678 059	3 768 023	15 729 024	14 794 294
1816	36,306,875		5 124 708	6,246 088	47 677 671	16 012 097
1817	26,283,348		2,678,101	4 137 601	33 099,050	8 004,237
1818	17 176 385		955 270	3,453,516	21,585 171	5,622 715
1819	20 283 609		229,594	4,090,172	24 603,375	6 506,300
1820	15 005 612		106 261	2,768 797	17 880 670	2,630,392
1821	13 004 447		69 028	1,499 905	14,573 380	4 461 292
1822	17 589 762		67 666	2,575 000	20,232,428	3 111,981
1823	19,088,433		34,242	1 417 991	20 540,666	3 096,924
1824	17 878 325		34,663	1 468 224	19 381 213	3 340 940
1825	20 098 713		25 771	1,716,374	21 840,858	3 659,914
1826	23 341 332		21,590	1,897,512	25 260 434	3 943,194
1827	19 712,283		19 886	3 234,195	22 966 364	3 938 978
1828	23,205 524		17,452	1,540,654	24 763 630	4,145,545
1829	22 681,966		14,503	2 131 158	24 827,627	4,724,291
1830	21 922,391		12,161	2 909 564	24 844 116	4,767,129
1831	24 224,442		6,934	4 295 445	28,526,821	4,841,836
1832	28 465 237		11,631	3,388,693	31 865 561	5,446,035
1833	29 032 509		2,759	4 913 159	33,948,427	6 704 019
1834	16,214,957		4,196	5,572 783	21,791,936	5 696,189
1835	19 391 311		10,459	16,028 317	35 430 087	5 759 157
1836	23,409 941		370	27 416,485	50 826,796	12 169 227
1837	11 169 290		5,494	13,779 369	24 954 153	13 682 734
1838	16 158 800		2 467	10 141 295	26 302 562	12 897,224
1839	23 137 925		2,553	8,342,271	31 482,749	8 916 996
1840	13,499 502		1 682	5 978,931	19 480 115	7,097,070
1841	14 487 217		3 261	2 369 682	16 860,160	8 805 565
1842	18,187 909		495	1 787,794	19,976 198	6,611 887
1843 [1]	7 046 844		103	1 255 755	8,302 702	2 957 300
1844	26 183,571		1,777	3 136,026	29,321 374	5 179,220
1845	27 528,113		3 517	2 438 478	29 970,108	5 752 644
1846	26,712 668		2,897	2 984,402	29,699 967	10 792,867
1847	23,747 865		375	2,747,529	26 495 769	38,305 520
1848	31,757 071		375	3 978 333	35 735,779	25 501 063
1849	28 346,739			2,861 404	31 208 143	14 852,966
1850	39,668,686			3 934,753	43 603 439	9,400,239
1851	49,017,568			3 541 736	52 559,304	11 811,793
1852	47,339 327			2,507 489	49 846 816	8,225,247
1853	58 931,866			2,655,188	61 587,054	9,947,291
1854	64,224,190			9 576,151	73,800,341	11,733,629
1855	53,025 794			12,324,781	65 350,575	14 773,826
1856	64,022,863			10 033,836	74,056,699	16,948,197

Footnotes at end of table

EXPENDITURES

fiscal years 1789–1948 [1]

sequent years, see p 393 General special, emergency and trust accounts combined from 1789 through quent years For explanation of accounts see p 394]

Expenditures, excluding debt retirements—Continued				Statutory debt retirements (sinking fund, etc)	Surplus or deficit (—)	
Department of the Navy [4]	Interest on the public debt	All other [5]	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
$570	$2,849 437	$1,286 216	$4,269,027		$149 880	$140 886
53	3,201,628	777,149	5 079,532		—1 409,572	—1,409,572
	2,772 242	579,822	4 482 318		170,610	170,610
61,409	8 490 203	800 080	6 990 889		—1,558,934	—1,558 934
410,562	3,189,151	1,459,188	7 530 809		—1 425 275	—1 425 275
274,784	8 195 055	990 883	5 726 986		2 650 544	2,650 544
382,632	3,800,043	1,411 556	6,138 684		2 555,147	2,555,147
1,381 848	8 053 281	1 232,853	7 676,504		223,092	223,992
2 858 062	8,180 288	1,155,138	9,656 455		—2,119,642	—2,119 642
3 448,716	3 374 705	1,401,775	10,786,075		62 674	62 674
2,111 424	4 412 913	1 197,801	9 394 582		8 540,740	3,540,749
915 562	4 125 039	1 642,860	7 882 118		7,188 670	7,133,676
1,215 231	3,848,828	1,965,538	7 851,653		3 212 445	3 212 445
1 189 833	4 260 583	2 887,602	8 719 442		3 106 865	8 106 855
1,597 500	4,148 900	4,046 954	10 508 234		3 054 459	3 054,459
1,649 641	8 723,408	3 206 213	9 803 817		5 756,814	5 756 314
1 722 064	3,369 578	1 973,823	8,854 151		8 043 868	8,043 868
1,884 058	8 428,158	1,719 437	9 032,492		7 128,170	7 128,170
2 427 759	2,866 075	1 641,142	10,280 748		—2,507,275	—2,507,275
1 654 244	2,845 428	1 352,514	8 158 510		1,227,705	1,227 705
1 965 566	2 465 733	1,594 210	8 058 837		6 865,192	6,385,192
8,959,365	2,451,278	2,052 835	20 280,771		—10 479 688	—10 479 638
6 446,600	8,599,455	1 983,784	81 681,852		—17,841 442	—17 841 442
7 811 291	4,593,239	2,455,589	84 720 926		—28 539 301	—23,539 301
8,660,000	5,754 569	3,499 270	32,708 180		—16 979,115	—18 979,115
8 908,278	7 213,259	3,453 057	80 588,691		17 090,980	17,000,980
8,814,598	6 889,210	4 185 775	21 843 820		11,255,230	11 255 230
2,953 695	6,010,447	5,232,264	19 825 121	-	1 760,050	1,760 050
8 847,640	5,168,588	5,946 882	21 463,810		3 139 565	8,139,505
4 887,990	5,126 097	6 116 148	18 260,627		—379 957	—379 957
3,819 243	5,087 274	2 942 944	15 810,753		—1 237 373	—1,237 378
2,224,459	5,172,578	4,491,202	15,000 220		5,232,208	5,232,208
2,503 788	4,922,685	4,183 465	14 703 840	-	5,883 826	5 833,826
2 904,582	4,996,552	9 084 524	20 825 708		—945 495	—946 495
8,049 084	4,806 769	4,781 462	15 857,229		5 983,520	5,983 629
4 218,902	3 973,481	4 900,220	17 035 797		8 224 687	3,224 637
4,263 877	8,486 072	4 450 241	16,139 168	-	5 827,190	5 827 106
3,918,766	3 098,801	5,231 711	16 804 843		8 368,787	6 368,787
3,808,745	2,542,848	4,627,454	15,203,888		9,624,294	9,624,294
8 239 429	1,913 533	5,222,975	15 143,088		9 701 050	9,701,050
3 856 183	1 883,583	5 166 049	15 247 651		13 279 170	13,279,170
3,956 870	772,562	7,118 983	17 288,950		14 576 611	14,576,611
3 901 357	303,797	12,108 879	23 017 552		10 930 875	10 930 875
3 956,260	202,153	8 772,067	18 627 509		3 164 867	3 164 367
3,864 930	57 863	7,890 854	17 572 813		17,857 274	17,857,274
5,807,718	-	12,891 219	30 868 164		19 958 632	19 958,682
6,646,915		16,913,847	37 243,490	-	—12,289 343	—12,289 848
6,181 595	14 997	14 821 242	33 665 059	- -	—7 562,497	—7,582,497
6 182,294	899,884	11 400,004	26,899 128		4 583 621	4,583 621
6 113 897	174,508	10 932,014	24,317,579		—4 837 464	—4 837 464
6,001 077	284,978	11 474 253	25 565 873	-	—9 705 713	—9 705 718
8,397 243	778 550	9,423 081	25,205 761	-	—5 229,563	—5,229 563
3 727,711	523,595	4,649,469	11 858,075		—3,555 373	—8 555,373
6 498,109	1,833,867	8,826 235	22,337 571		6 988 803	6,983 808
6 297 245	1 040 032	9,847 487	22,937 408	-	7 032,698	7,032 698
6,454 947	842 723	9 676 888	27 766 925	-	1 933,042	1,933 042
7,900,635	1 119 215	9,056 041	57,281,412		—30 785,643	—30 785,648
9 408 476	2,390,825	8 075,962	45 377,228	-	—9,641,447	—9 641,447
9,786,706	3,565 578	16,846 407	45 061,657	-	—13,843 514	—13,843 514
7,904,709	3 782,331	18 456 213	39,543 492		4,059 947	4,059 047
9 005,931	3,696,721	23,194,572	47,709,017		4 850 287	4 850 287
8,952,801	4 000 298	23 016,573	44,194 919		5,051,897	5,651 897
10,918,781	3,665 833	23,652,208	48,164,111		13,402,948	13,402,948
10,798,580	3,071,017	32,441 630	58,044 862	- -	15 765 479	15 755 479
13,812,024	2,814,375	29,342 443	59 742,668	- -	5 607,907	5 607 907
14,091,781	1 953,822	35 577,226	69 571,026	-- -	4,485,673	4 485 673

TABLE 2 —*Receipts and expenditures,*

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax)	Internal revenue		Other receipts [3]	Total receipts [3]	Department of the Army (formerly War Department) [4 9]
		Income and profits taxes	Other			
1857	$63, 875 905			$5 089 408	$68, 965, 313	$19 261, 774
1858	41, 785 621			4, 805, 745	46, 655, 866	25 485 383
1859	49, 565, 824			8 920 641	53 485, 465	23, 243, 823
1865	53, 187, 512		-	2, 877 095	55, 064, 608	10, 409 767
1861	89 582 126			1, 927 805	41 509 931	22 981 150
1862	49 056, 398			2 031 058	51, 987 456	394 368 407
1863	59, 059 642	$2, 741 858	$34, 898, 935	5 996, 861	112, 697, 251	599 298, 651
1864	102 316 153	20, 294 732	89, 446, 402	52 569 484	264 626 771	690 791 843
1865	84 928 261	50 979, 829	148, 484, 886	89 322, 129	333 714, 605	1 031 323, 361
1866	179 046 652	72, 982, 159	236 244, 654	09 759 155	558, 532, 620	284, 449, 702
1867	176, 417 811	06 014 420	250 513 108	48 188, 662	450, 634 515	95, 224, 415
1868	164 464 650	41, 455 598	145 031 091	50 085, 894	405 638, 083	123 240 648
1869	180 048 427	34, 791 856	123 564 605	32 538, 859	375 943 747	78, 501 991
1870	194 538, 374	37 775, 874	147 123, 882	31 817, 847	411, 255 477	57 655, 676
1871	206 270 408	19 162 551	123 935 503	33 955 383	383 323 945	35, 799, 992
1872	216 375 287	14 430 802	115 205 816	27 594 408	374, 106, 868	35 372, 157
1873	188 089 523	5 062 312	108 667, 002	31 919, 368	333, 738 255	46, 323 138
1874	163, 103 834	139 472	152, 275 313	39 405, 137	304, 978 756	42 313 527
1875	157 167 722	233	110 557 261	25, 824 835	288, 555 051	41 125 646
1876	148 071 985	588	116 700 144	29 823 148	294 095 865	38 070 889
1877	130 956 493	98	118 635 810	31 819 518	281 406 419	37 582, 785
1878	130 170 685		110 581 525	17 511, 574	257 763 879	32 154 148
1879	137 250, 048		113 561 611	23, 015 520	273 827, 185	40 425 661
1880	186 522, 064		124, 009 874	22, 995 178	333 526, 611	38 116, 916
1881	198 159 676	3 022	135 261 364	27 358 231	360 782 293	40 466 461
1882	220 410, 730		146 497, 595	36, 616 924	403, 525, 250	43 570 494
1883	214, 706 497		144 720 369	38 860, 716	398 287 582	48 911 383
1884	195 067 490	55 523	121, 586 445	31, 866 307	348, 519, 870	39 429 603
1885	181 471 939		112, 498 726	29, 720 041	323 690 706	42 670, 578
1886	192 905 023		116, 805 936	26, 728, 767	336, 439 726	34 324 153
1887	217 286 893		118, 823 391	35 292 993	371, 403 277	38, 561 026
1888	219 091 174		124 296 872	35, 878 029	379 266, 075	38, 522, 436
1889	223 832, 742		130 881 514	32, 335, 803	387, 050, 059	44 435 271
1890	229 668 585	-	142 606 706	30 806 098	403 080 984	44 582 838
1891	219 522, 205		145 686 250	27 403, 992	392 612, 447	48, 720 065
1892	177 452 964		153 971, 072	23 513, 748	354 937 784	46 895, 456
1893	203, 355 017		161 027 624	21 436, 988	385 819 629	49, 641, 773
1894	131 818, 531		147, 111, 233	27 425, 552	306 355, 316	54 567, 930
1895	152 158 617	77 131	143 344 541	29, 149, 130	324, 729 419	51, 804 759
1896	160 021 752		146 762, 865	31 357 830	338 142, 447	50 830 921
1897	176 554 127		146 088 574	24 479 004	347 721 705	48 950 268
1898	149 575 062		170 900 642	84 845, 631	405 321 335	91, 992, 000
1899	206 128 482	-	273 437, 162	36 394 977	515 960, 621	229 841 254
1900	233 164 871		295 327 927	38, 748 054	567, 240 852	134, 774 768
1901	238 585 456		307 180 664	41, 919, 218	587, 685 338	144 615, 697
1902	254 444 708		271, 880 122	35 153 453	562, 478 233	112, 272, 216
1903	284, 479, 582		230 810 124	46 591 016	561, 880 722	118 629, 505
1904	261 274 565		232 904, 119	46 958 401	541 087, 085	165 199 911
1905	261 798 857		234, 095 741	48 380 087	544 274 685	126 093 894
1906	300 251 878		249 150, 213	45 582, 355	594 984, 446	137 326 066
1907	332 233 363		269 666 773	63 960 250	665 860, 386	149, 775 084
1908	286 113, 130		251 711 127	64, 037, 650	601 861 907	175 840 453
1909	300 711 934		246 212 644	57 356 925	604, 320, 498	152, 436 904
1915	333 683 445	20 951, 781	268 981 738	51, 894 751	675, 511, 715	189 823 379
1911	314 497, 071	33 516 977	289 012 224	64, 806, 630	701 832 911	197, 199 491
1912	311 321, 672	28 583 304	293, 028, 896	59 675 332	692, 609, 204	184, 122, 793
1913	318 891 396	35 006 300	309 410 666	60 802 868	724, 111, 230	202, 128, 711
1914	292, 320 014	71, 381, 275	308, 659, 733	62 312, 145	734, 673 167	208 349, 746
1915	209 786 672	80, 201 759	335 467, 887	72 454 509	697 910 827	202, 160 134
1916	213 185 846	124 937, 253	387, 764 776	56 646 673	782, 534, 548	183 176 439
1917	225, 962, 393	359 681 228	449, 684 980	88 996 194	1 124, 324, 795	377, 940, 870
1918	179 998 385	2 314 006 292	872 028 020	298, 550, 168	3, 664, 582 865	4 869, 955, 286
1919	184 457, 867	3, 018 783 687	1 296, 501, 292	652, 514 290	5 152, 257, 136	9, 009, 075, 789
1920	322, 902, 650	3 944 949 288	1, 460, 082 287	036, 631 164	6, 694, 565 389	1 621 953 095
1921	308 564, 391	3 206, 046, 158	1 390 879 823	719 942, 589	5, 624, 932, 961	1, 118 076, 423
1922	356, 443, 387	2 068 128, 193	1, 145 125 064	539, 407, 507	4, 109 104 151	457, 756, 139
1923	561 928 867	1, 678, 607 428	945, 865 333	820 733 858	4 007, 135, 481	397, 050, 596
1924	545 637 504	1 842, 144, 418	953 012, 618	671, 250, 162	4, 012, 044, 702	357, 016, 878

Footnotes at end of table

fiscal years 1789–1948 [1]—Continued

Expenditures, excluding debt retirements—Continued				Statutory debt retirements (sinking fund, etc.)	Surplus or deficit (−)	
Department of the Navy [4]	Interest on the public debt	All other [4]	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
$12,747,977	$1,678 265	$34 107,692	$67 795 708		$1 169 605	$1 169 605
13 984,551	1 507 056	38 148 280	74,185,270		−27,529,904	−27 529 904
14 642,990	2,638,464	28,545,700	69,070,077		−15,584 512	−15 584 512
11,514,965	3 177,815	32,028 551	63 130 598		− 7 065 990	− 7,065,990
12,420 888	4,000 174	27 144,433	66 546 645		−25,036,714	−25,036,714
42 668,277	13,190,825	24 534,810	474,761,819		−422,774,368	−422 774 868
63 221,964	24,729,847	27,490,318	714 740 725		−602 048,434	−602 048 434
85 725,995	53,685 422	35 119,882	865,822 642		−600 695 871	−600 695 871
122,612,945	77 807,712	66 221 206	1 297 555 224		−963,840 619	−963 840 610
43,824 118	138 067,742	59,967 855	520 809 417		37 223 208	37 223 203
31 034,011	148,781 592	87 502,057	357,542 675		133 001 335	133 091,885
25 775,508	140,424 046	87 894 088	377 840 285		28 297,798	28 297 798
20 000,758	130 694,248	93,668 286	322 865 278		48,078,469	48,078,469
21 780,230	129,235,498	100 982,157	300 653,561		101 601,916	101 601 910
19,431,027	125,576,566	111 369 603	292,177 188		91,146 757	91 146,757
21,249 810	117,357 840	103,538 155	277,517 963		96 588 905	96 588 905
23,526 257	104 750,688	115,745 162	290 345,245		43 392,960	43,392,960
30 932,587	107,119 815	122,267,544	302,683 873		2,344,883	2 344 888
21,497 626	103 093 545	108 911 576	274 623,893		13,376,658	13 376,658
18,968 310	100,243,271	107,823,615	265,101,085		28 094,780	28,994,780
14 959,935	97,124 512	92 167 292	241,334,475		40 071 944	40,071 944
17,865,301	102,500,875	84 044,008	236 964 327		20,799,552	20 799 552
15,125 127	105,327,949	106,069,147	260,947 884		6,879,301	6 879,301
13 536,985	95 757 575	120 231 482	267 642 058		05,883 653	65,883,653
15 686,672	82 508,741	122 051,014	260 712 888		100,069 405	100 069,405
15,032,046	71 077,207	128,301 693	257 981,440		145 543,810	145 543 810
15,283,437	59,160 131	142 053 187	265,408,138		132,879 444	132,879 444
17,292,601	54,578,379	132,825 661	244 126 244		104,393,626	104,393 626
10 021 080	51,386,256	150 149,021	260,226,935		68 463 771	63 463 771
13 907,888	50 580 146	143,670,952	242 483,139		93,956 587	93 956 587
15,141 127	47 741,577	166 488 451	267,932 181		103 471,096	103,471,096
16,926,438	44,715 007	167 760,920	267 924,801		111 341 274	111 341 274
21 378,809	41,001,484	192,478,414	299,288,978		87,761 081	87 761,081
22,006 206	36 099,284	215,852,383	318 040,711		35 040 273	35 040,278
26,118,896	37,547,135	253 392,808	365,773 904		26,838,543	26,838 543
29,174,139	23,378 116	245 575,620	345,023 331		9,914,453	9 914,453
30 130,084	27,264 892	276 435,704	383,477,953		2,341 676	2,341 676
31,701 294	27 841 406	253,414 651	367 525,281		−61,169 965	−61,169,965
28,797,796	30 978 030	244 614 713	356 195,298		−31 465 879	−31,465,879
27 147,732	35 385 029	238 815,764	352,179 446		−14,036,999	−14 036,999
34,561,546	37,791,110	244,471 235	365 774,159		−18,052 454	−18 052,454
58,823 985	37 585 050	254,967 542	443 368,583		−38,047,248	−38 047,248
63,942,104	39,896,925	271,391,896	605 072,179		−89 111,558	−89 111 558
55 953,078	40,160,333	289,972,668	520 860 847		46,380 005	46,380 005
60,506 978	32,342,979	287,151,271	524,616 925		63,068,418	63,068,418
67,803,128	29 108,045	276,050 860	485,234 249		77,243 984	77 243 984
82 618,034	28 556,849	287 202 239	517,006 127		44 874 595	44 874 595
102 956,102	24,646 490	290,857,397	583,659,900		−42 572,815	−42,572 815
117 550 308	24 590 944	299,043 708	567 278,914		−23,004,229	−23,004,229
110 474,264	24,308,576	298,093,372	570 202,278		24,782,168	24 782,168
97,128 469	24,481 158	307,744 131	579 128,842		86 731,544	86 731,544
118 037,097	21,426 138	343 892,632	659 196 320		−57 334 418	−57,334 418
115,546 011	21 803,380	303,907 184	693,743 885		−89,423 387	−89,423,387
123,173 717	21 342 979	859,276,990	693,017,065		−18,105,850	−18 105,850
119,937,644	21,811 334	352,753,043	691 201 512		10,631 899	10 631,899
135,591,956	22,616 300	347 550 285	689,881,334		2 727,870	2 727 870
133 262,862	22 899,108	366,221 282	724 511 963		−400 788	−400 788
139 682 186	22,863,957	304,185 542	735 081,431		−408 264	−408,264
141 835,654	22 902 897	393 688,117	760 586 302		−62 675,975	−62,675,975
153,853 567	22,900,869	374 125,327	734 056 202		48,478 346	48,478 346
239 632,757	24,742,702	1 335 365 422	1 977 681,751		−853,356,956	−853 356 956
1 278,840,487	189,743,277	6 358,163 421	12,696,702,471	$1,134,234	−9 033 253 840	−9 032,110,606
2,002,310,785	619 215 569	6,884,277 812	18 514,879 955	8,014,750	−13 370,037,569	−13,362 622 819
736 021,456	1 020,251,622	3,025,117,668	6,403 343 841	78 746,350	212,475,198	291,221,548
650,373,836	999 144,731	2 348 332,700	5 115 927,690	[8]422 281 500	86,723,771	509,005,271
476,775,194	991,000 759	1,447,075,808	3 872,607,900	422 694,600	313,801,651	735,496,251
333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	402,850,491	309,657 461	712 507,952
332,249,137	940 602,913	1 418,809,087	3,048 677,965	457 990 750	505,366,987	963,366,787

TABLE 2 —*Receipts and expenditures,*

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax)[7]	Internal revenue		Other receipts[2 8]	Total receipts[8]	Department of the Army (formerly War Department)[4 9]
		Income and profits taxes	Other[8]			
1925	$547 561 226	$1,760 537 824	$828 638 068	$643 411 507	$3 780 148,685	$370 980,708
1926	579 430 093	1 982 040 088	855 500 289	545,686,220	3,962,755,690	364 089 945
1927	605 409,983	2,224 992,800	644 421 542	654 480,110	4 129 894 441	369,114,122
1928	568,986,188	2 173 952,557	621 018 666	678,390 745	4,042 848 156	400 989 683
1929	602,262 786	2,330 711 823	607 307 549	492 968,067	4,033 250 225	425 947,194
1930	587,000,903	2,410,986 978	628,308 036	551 645,785	4 177 941,702	464,853 515
1931	378,354,005	1 860 394 295	569 386 721	381 503 011	3 189 638 632	478,418 974
1932	327 754 969	1 057 335 853	503 670 481	116,964 184	2 005 725 437	476 305 311
1933	250 750 251	746,206 445	858 217 512	224 522,534	2 079 696 742	434 620 860
1934	313 434,302	817 961 481	1 822 042 847	161 515 919	3,115 554 050	408 586 783
1935	343 353 034	1 099 118,638	2 178 571 390	170,424,141	3 800,467 202	487 995 220
1936	386 811 594	1 426 575,434	2 086,276 174	216 293 413	4 115 956 615	618 587 184
1937	486 356,509	2,163 413 817	2 168 726 286	210 343 535	5 028 840 237	628 104 285
1938	359 187,249	2,640,284,711	2 647 033 726	208 155 541	5 854 661,227	644 263,842
1939	318,837,311	2,188 757 289	2 469 463 558	187 765 468	5 164 823 626	695,256,481
1940	348 590 630	2,125 324 635	2 627 809 353	285 400 046	5 387,124 070	907 160 151
1941	391,870,018	3 469 637,849	3 203 896 405	541 807 585	7,607,211 852	3,938 948 048
1942	388,948 427	7 960 464 973	4 137 034 076	312 614 145	12 799 001 621	14 325,508,098
1943	324,290 778	16 093 668 781	4 619 895,017	943 878 133	22 281 642 709	42,525 562,523
1944	431 252 168	34,654 851 852	5 738 013 044	3 324 809 903	44,148,926 968	49,438,330,158
1945	354,775 542	35 173 051 373	7 410 031,155	3 509 690 510	46,456,554,580	50 490,101,935
1946	435 475,072	30 884 796,016	8 187,818 885	3,530 208 885	43 037 708 808	27,986 769 041
1947	494 078,260	29 305 568 454	8 614,348 320	4 844 838 155	43 258 833,189	9 043 190,394
1948						
Excluding F E C transfer[10]	421,723 028	31 170 968 403	9,060 354 806	4 086 496,840	44,745,542,077	6,825,058,570
Including F F C transfer[10]	421 723,028	31 170 968 403	9,060,354 800	4 086 496 840	44 745,542,077	6,826,058,576

NOTE —For postal receipts and expenditures, see table 11 Figures are rounded to nearest dollar and will not necessarily add to totals

[1] From 1789 to 1842 the fiscal year ended Dec 31 from 1844 to date on June 30 Figures for 1843 are for a half year, Jan 1 to June 30

[2] Comprises railroad unemployment insurance contributions, proceeds of Government owned securities, Panama Canal tolls, etc , proceeds from sales of surplus property (act Oct 3 1944), deposits resulting from renegotiation of war contracts (see table 5), seigniorage and other miscellaneous For details of Panama Canal receipts, see table 10

[3] Beginning in 1937 consists of total receipts less deduction for appropriation to Federal old age and survivors insurance trust fund (net receipts under title VIII of Social Security Act)

[4] Excludes civil expenditures under War and Navy Departments in Washington through 1915 Department of the Army expenditures include rivers and harbors and Panama Canal For details of Panama Canal expenditures see table 10

[5] Includes civil expenditures under War and Navy Departments in Washington through 1915 expenditures of Office of Secretary of Defense for 1948, unavailable funds charged off under act of June 3 1922 (42 Stat 1592) and expenditures for ' Government corporations (wholly owned), etc (net) ' for 1932–48

fiscal years 1789–1948 [1]—Continued

Expenditures excluding debt retirements—Continued				Statutory debt retirements (sinking fund, etc)	Surplus or deficit (−)	
Department of the Navy [4]	Interest on the public debt	All other [8]	Total expenditures excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
$346 142,001	$881,806 662	$1,464 175 961	$3,068,105 332	$466 538,114	$250,505 239	$717,043 353
312 743,410	831,937,700	1,588,840 768	3 097 011 823	487,376,951	877 767 819	865 143 867
318 909 096	787 019,578	1,498 986 878	2,974 029 674	519 554 845	635,309 921	1,155 364,766
381 335,492	731 764 476	1,689 175 204	3,103 264 855	540,255,020	398 828 281	939,083 301
364,561 544	678 330,400	1 830,020 848	3 298,859 486	549,603 704	184,787,035	734,390 739
374 165 639	659 847 613	1 941 902,117	3 440 268 884	553 883 603	183,789,215	737,672 818
354,071 004	611,559 704	2 207,466,030	3,651 515 712	440 082,000	−901 959 080	−461 877 080
357 517,834	599 276,681	3 307,915 869	4,741 015 145	412 629,750	−3,147 019 458	−2,735 289 708
349,372 794	689 365 106	3 207,990 066	4 681 348 827	461,604,800	−3,063,256 885	−2 601 652 085
296 927 490	756,617 127	5 283 054 592	6 745 185 902	359 864,093	−3 989,496 036	−3 629 631 943
436 265,532	820,926 353	4 846 332 198	6,591 519,302	573 558,250	−3 394 610 350	−2 791 052 100
528,882,143	749 396,802	6 643,639 716	8 540 505,845	403 240 150	−4,827 789 380	−4,424,549 230
556 674 066	866 384,331	5 755 098,270	7 806,260 951	103 971 200	−2,881 391 914	−2 777 420 714
596 129 739	926 280,714	4,864 603 529	7 031 277,825	65,464 950	−1 242,081 548	−1 176 616 598
672 722,327	940,539,764	6,718,463,094	9,026,981 666	58 246,450	−3 920 404 490	−3 862,158 040
891 484 523	1,040 935 697	6 405 563 459	9 805 143 830	120 184 100	−4 047 203 261	−3 918 019 161
2,313 057 956	1,110 692,812	6 403 790,395	13 766 484 211	64 260 500	−6 223 532 858	−6 159,272,358
8,579 588 976	1 260 085 330	10 124 121 043	34 289 304 853	94 722 300	−21 584 965 032	−21 490,242 732
20,888 349,026	1,808 160 396	14 480 001 130	79 702,073 074	3 463 400	−57,423,898 795	−57,420,430 365
26 537,633 877	2 608 979 806	16,987 375 669	95 572 319 510	1 650	−51 423 394,191	−51 423 392,541
30,047,152,185	3 616,686 048	16 243 530 587	100,397,470,705	2,000	−53,940 918 126	−53 940 916 126
15 160 754 034	4 721,967,688	15 844 488,659	63 713 069,417	4,000	−20,070 174,609	−20 676,170 609
5,575,239,640	4 957,922 484	22,928,687 011	42,505 045,529		753 787 660	753 787,660
4 259,188,584	5 211 101,865	23 030 723,208	36 326 072 233	(11)	(11)	5,419 469,844
4 259,188 584	5 211 101,865	23,030 723 208	36 326 072 233	(11)	(11)	5 419,469 844

[6] Receipts and public debt retirements for 1921 exclude $4,842 066 45 written off the public debt Dec 31, 1920 See footnote 2 table 29

[7] Beginning with 1932 tonnage tax has been covered into Treasury as miscellaneous receipts included in 'Other receipts

[8] Figures for 1940-47 have been revised to give effect to present classification of receipts for Federal old age and survivors insurance trust fund See footnote 3, table 5

[9] Title was changed pursuant to act of July 26 1947 Figures for Department of the Army include expenditures of Department of the Air Force from funds made available prior to fiscal year 1949 Expenditures for Office of the Secretary of Defense are included in 'All other'

[10] Section 114 (f) of Economic Cooperation Act of 1948, approved April 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled 'Foreign Economic Cooperation Trust Fund' and 'considered as expended during the fiscal year 1948 for the purpose of reporting governmental expenditures' The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949, with consequent effect on the surplus or deficit of those years

[11] The practice of including statutory debt retirements in budget expenditures was discontinued effective with fiscal year 1948 Table 29 shows details of statutory debt retirements

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*

[On basis of daily Treasury statements, see p. 393]

Receipts	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Internal revenue:							
Income tax							
Withheld by employers	$624,743,601.72	$1,254,558,107.44	$796,547,259.45	$643,568,145.78	$1,315,436,372.09	$879,532,981.07	$624,032,470.08
Other	757,180,172.80	413,358,381.17	2,638,542,860.93	701,828,000.76	350,433,326.42	1,889,487,116.92	2,613,107,205.58
Miscellaneous internal revenue	663,397,766.29	642,763,954.97	698,605,390.16	781,650,470.66	695,490,626.07	766,900,219.93	655,969,972.06
Social security taxes							
Employment taxes	72,389,519.00	329,258,215.70	13,861,244.61	65,591,840.14	310,495,827.46	14,078,344.45	35,496,329.14
Tax on employers of 8 or more	2,054,000.08	9,408,657.03	2,790,355.13	560,913.04	9,821,822.82	1,498,026.22	12,906,360.78
Taxes upon carriers and their employees	5,997,031.57	13,017,641.45	116,289,389.30	4,214,344.78	8,573,239.78	126,244,719.53	2,538,949.90
Railroad unemployment insurance contributions	10,409.57	153,010.52	2,936,054.08	366,740.38	130,885.33	3,476,069.78	3,320.27
Customs	37,250,247.37	31,092,296.11	34,134,252.70	41,603,155.11	32,262,793.11	34,517,970.63	37,497,981.50
Surplus property (act Oct. 3, 1944)							
Proceeds from sales	157,731,169.85	92,512,788.16	83,101,210.28	82,368,439.69	[1] 192,165,212.62	[3] 422,695,417.81	50,541,408.86
Other	1,774.32	2,386.92	3,533.59	181.11	571.75	1,102.15	2,960.24
Unclassified	* 2,921.02	* 16,603,936.76	16,478,586.38	110,465.31	* 12,079.19	* 2,757,745.10	2,796,622.72
Other miscellaneous receipts							
Proceeds of Government-owned securities							
Principal—foreign obligations		-	-			104,775.80	
Interest—foreign obligations						156,076.44	
Other	48,205,621.05	2,046,367.42	149,998,803.11	3,058,118.75	33,757,188.38	43,664,351.09	[3] 150,895,830.91
Panama Canal tolls, etc.	1,627,305.81	1,826,501.48	2,988,516.58	1,987,708.16	1,747,981.46	1,797,603.74	1,929,887.37
Seigniorage	1,298,793.40	1,454,260.38	1,251,508.37	3,560,868.84	3,532,972.55	4,799,275.59	1,799,316.72
Surplus postal revenues							
Other [4]	97,822,276.13	90,896,561.76	[5] 327,924,616.63	125,388,428.96	99,824,801.98	73,464,917.54	120,953,698.37
Total receipts [4]	2,469,706,767.94	2,865,745,193.75	4,885,453,591.36	2,455,857,821.47	3,053,661,542.63	4,259,601,823.59	4,310,472,314.50
Deduct: Appropriation to Federal old age and survivors insurance trust fund [4]	72,389,519.00	329,258,215.70	13,861,244.61	65,591,840.14	310,495,827.46	14,078,344.45	35,496,329.14
Net budget receipts	2,397,317,248.94	2,536,486,978.05	4,871,592,346.75	2,390,265,981.33	2,743,165,715.17	4,245,583,479.14	4,274,975,985.36

Receipts	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Internal revenue.							
Income tax							
Withheld by employers	$1 562,673 191.90	$997 700 913.92	$684,322,218 58	$1 357 764,937 38	$695,222 700 17	$11 436 102,899 58	$10 013 085 788 39
Other	1 596,522 684.27	4,167 588,421 55	1 173,623 812.49	427 557 840 06	8 005,635 680 06	19 734,865 503.01	19 292,482 665 80
Miscellaneous internal revenue	628,976,020 03	739,106,689 36	661 791,578.98	672,741 220 35	693,981,458 30	8 301,375 367 16	8 049 467,726 22
Social security taxes							
Employment taxes	277 661,507 17	30 414,568.81	74,324 052.60	876,000 437 55	16 590 157 29	1 616 162,043 92	1 459 491 921 30
Tax on employers of 8 or more	138,447 540 65	12,912,355.27	2,921 205 98	13 416,894.34	1 180 525 15	207 918,656 49	184,823 468.19
Taxes upon carriers and their employees	6 499 479 01	132 617 624.27	5,663,093 35	11 597 687 37	123 807 581 57	557 060 781.88	380 057 125.30
Railroad unemployment insurance contributions	121 162 33	3 640 038 32	7 595 26	128 902.01	3 539 876 99	14 514 664.84	14,174,001 69
Customs	33 695,894.55	40 967 115 12	35,139 301 02	80 569 074.03	32 993,436.76	421 723 028 07	494 078 259 72
Surplus property (act Oct 3 1944)							
Proceeds from sales...	[2] 240 947 101 24	[2] 107,565,294.30	[2] 86,222,947 89	48,603,352.73	[2,6] 364 291 479 81	1 928,745 823 24	2,885,777 763 89
Other	64 25	1,513 77	1 168 70	521.77	803 22	16 581 79	29 600 47
Unclassified	• 223 04	• 680 55	4,438 15	4,671 30	• 527 09	7 794.81	• 10 696 15
Other miscellaneous receipts							
Proceeds of Government owned securities							
Principal—foreign obligations					8,898 11	113 673 91	110 432.86
Interest—foreign obligations					154,274.13	310,350 57	313 899.12
Other	20 437 663 69	40 495 433 40	38 970 198 49	17 294 163 36	36 977 976.54	[7] 585,801,716 19	259 300 419 30
Panama Canal tolls, etc	2 154 346 63	1 093 680 21	2,411 718 77	1 129,320 41	12 052,853.44	33,347 424.06	21 233 988 55
Seigniorage	7 119 623 43	2,496 086.99	3 459,025 73	2,297 989 77	3,828 515.41	36 898,237 18	60 107 887 03
Surplus postal revenues							12 000 000 00
Other [4]	98 662,001 91	37 569 688.48	[8] 111 951 660 86	123,491 657 06	128,789 264.18	[8] 1 486 739 573.86	1 591 800 858 42
Total receipts [4]	4 613 917 558.02	6,364,768,743.22	2,880 805 140 55	3 082,598,669 49	5 119 054 954.04	46,361 704,120 56	44,718 325 110 10
Deduct Appropriation to Federal old age and survivors insurance trust fund [4]	277 661 507 17	30 414,568 81	74 324,052.60	376 000 437 55	16,590 157 29	1 616 162,043 92	1 459 491 921.30
Net budget receipts	4 336 256,050 85	6 334 354 174.41	2,806,481 087 95	2 706,598 231 94	5 102 464,796 75	44,745 542 076.64	43 258 833 188 80

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [a]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Legislative establishment	$5,220,202.66	$2,885,711.31	$2,973,475.83	$2,641,495.68	$3,609,687.08	$6,155,340.08	$3,285,310.89
The Judiciary	1,496,321.37	1,486,055.48	1,979,284.33	1,586,777.52	1,502,111.77	1,643,808.04	1,679,926.13
Agriculture Department							
Farmers' Home Administration							
Farmers' crop loans, etc	1,029,491.46	[b] 2,692,932.31	[b] 7,946,093.69	[b] 13,275,925.49	[b] 8,002,312.79	12,906,970.99	[b] 70,370,777.47
Farm tenancy	3,582,954.94	[b] 2,702,871.33	1,054,300.46	[b] 149,859.78	[b] 642,769.57	6,621,247.67	493,840.61
Flood loans and grants							
Loans, rehabilitation and other	484,485.08	659,181.13	2,892,514.57	[b] 2,361,694.76	[b] 4,600,414.10	[b] 18,197,521.65	9,483,137.53
Other	78,950.69	[b] 100,875.78	43,627.08	[b] 25,853.96	39,271.04	[b] 65,182.82	52,140.97
Unclassified	118.56	[b] 118.56		2,751.07	[b] 2,771.07	20.00	61.39
Production and Marketing Administration							
Commodity Credit Corporation	7,778,154.90	142,082,517.64	[b] 80,028,880.46	[b] 11,948,355.39	57,337,838.76	28,611,239.02	[b] 89,379,207.74
Administration of Sugar Act of 1937	329,143.19	66,435.94	3,042,416.60	1,669,592.06	9,045,030.12	3,830,651.56	4,334,572.01
Conservation and use of agricultural land resources	13,330,232.86	4,066,728.58	8,717,624.02	9,057,782.02	9,455,598.11	12,339,087.34	13,991,385.94
Exportation and domestic consumption of agricultural commodities	13,127,390.19	3,895,530.74	15,499,242.64	20,622,296.35	1,372,757.65	3,445,082.93	22,073,173.80
Federal Crop Insurance Act							
Administrative expenses	413,592.35	322,438.82	332,730.29	314,107.02	229,714.56	322,100.53	343,684.88
Federal Crop Insurance Corporation	[b] 485,532.10	[b] 3,447,206.29	7,623,396.92	[b] 1,204,046.39	[b] 8,175,104.01	588,949.37	[b] 5,632,018.11
Local administration, sec. 388, Agricultural Adjustment Act of 1938	1,317,013.95	2,099,641.56	2,062,175.76	1,793,598.96	1,368,503.46	1,341,211.50	882,357.65
National State expenses, sec. 392, Agricultural Adjustment Act of 1938	1,194,250.78	622,019.32	600,419.08	574,751.08	646,377.00	726,448.47	[b] 208,159.71
Parity Payments and Price Adjustment Act of 1938	5,826.37	583.50	[b] 61.37	[b] 226,362.97	8,369.38	[b] 7.43	[b] 149.17
Salaries and expenses Marketing Service	888,324.89	641,906.96	537,906.08	920,424.98	705,394.21	922,788.59	913,308.47
Other	2,807.40	3,840.80	1,433.30	3,147.81	2,308.81	4,271.21	2,254.54
Unclassified	62,965.68	[b] 89,013.54	26,035.66	79.88	[b] 67.68		[b] 77.33
Rural Electrification Administration							
Loans	18,534,504.46	17,758,541.94	17,783,630.42	21,317,382.05	18,706,885.66	22,863,030.15	17,381,711.15
Other	377,969.16	370,398.13	369,268.44	501,355.46	359,128.62	375,608.59	374,213.23
Unclassified					[b] 96,918.37	96,918.37	
Farm Credit Administration and agencies							
Crop loans		1,123.18				342.06	75
Federal Farm Mortgage Corporation							
Capital stock							
Other	[b] 2,016,962.55	[b] 2,702,769.44	[b] 3,452,161.93	[b] 4,660,136.72	[b] 4,437,705.81	[b] 4,683,834.93	[b] 4,380,858.50
Federal land banks							
Capital stock				-		-	
Paid in surplus				-			
Production credit corporations					[b] 18,777.85	[b] 176,602.64	[b] 1,258,169.76
Other	[b] 1,198,810.62	[b] 346,007.26	[b] 10,669,420.49	8,410,817.18	18,891,851.67	338,133.79	85,074.50

Expenditures [9]	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Legislative establishment	$2,515,227 25	$2,923,220 15	$3 073,499 94	$3,709 710 96	$4,397,743.45	$43 390,625.28	$39 413,916.70
The Judiciary	1 492,978.62	1 792,131 98	1 662,682.37	1 576,413 95	1 647 583.67	19 546 075 23	17 323,961 47
Agriculture Department							
Farmers Home Administration							
Farmers crop loans etc	2,908 54	6 125 95	204 70	823 00	880 14	52,400 917 97	12 685,982.50
Farm tenancy	190,426 20	7 134,645 89	193,214.03	113,225 16	500 006.16	16,388,360 44	[b] 4,174,704.96
Flood loans and grants							25,324.53
Loans, rehabilitation and other	13 899 287 83	24 460,028 41	6 825 395.58	4,632,942.82	6 250,093.59	44 427 436.08	51,077 424.13
Other	45,195.90	1,030,143.69	[b] 51 395.17	24,682 04	[b] 13,300.39	1 057 403 29	2,590,375 33
Unclassified	[b] 61 39	[b] 90.38	90 38	-	12,233.59	12,233.59	---
Production and Marketing Administration							
Commodity Credit Corporation	[b] 10,674,327 78	1 352,907 11	[b] 58,859,663 98	[b] 65 494,982.23	[b] 64 108,887 88	[b] [10] 143 331 648 03	[10] 487 767 313.37
Administration of Sugar Act of 1937	8 322,005.17	13 592,796 49	6 312,032.93	5,167 634 15	4 729 455.82	60,441 766 04	57 158 993.89
Conservation and use of agricultural land resources	13,925 533.42	26,388 946 81	32,641 326.77	35,217 330 49	35 174 227 33	214,305,803 69	330,119 101 08
Exportation and domestic consumption of agricultural commodities	6,284,162 87	6,126,534 82	14,902,930 26	10 204,992.49	6,088 743.20	123,642,837 94	152,351 161 11
Federal Crop Insurance Act							
Administrative expenses	605,347 99	269 178.14	300 248.15	334,734.74	637 116 54	4,424 994.01	4,563,425.73
Federal Crop Insurance Corporation	3,296 029 15	2,968,613.21	2,286 116.51	1 165,732 11	[b] 3 391,421 18	[b] 4,406,490.81	26,621 443.72
Local administration, sec 388, Agricultural Adjustment Act of 1938	1,124,622 21	2,117,884.81	2,095 954.69	1 782,353 66	805,841.16	18,791 159 37	21,999 505 83
National-State expenses, sec. 392 Agricultural Adjustment Act of 1938	506 737 94	591,048.58	674,866 61	594 202.64	56,181 76	6 579 143.55	12,243 338.52
Parity Payments and Price Adjustment Act of 1938	[b] 7 643 72	[b] 313 10	[b] 154.17	3,716.11	[b] 154.49	[b] 216 351 06	288,392.86
Salaries and expenses Marketing Service	704,016 01	790 610 43	743 669 64	723 379 56	721 638.23	9,213 368.05	13 663,188.30
Other	2,962 43	3,038.61	2,854.22	2,631 14	6 036.62	37,586 90	77 403.98
Unclassified	511 08	[b] 462 19	28 44	23,049 64	[b] 23,103 40	[b] 53 76	[b] 8,320.08
Rural Electrification Administration							
Loans	19 081,708.64	22,972,228.62	22,478,523 37	22,407 220.38	25,015,692.47	246 301,559 31	[b] 26,855,941 00
Other	372 573.44	353 403.84	539 240 44	384 218.65	403 287 09	4 780 665.09	5,750 819 31
Unclassified	-		-	[b] 24,020.79	24,020 79		
Farm Credit Administration and agencies							
Crop loans	97 65		409 32		[b] 01	1 972.95	[b] 5 619 927 88
Federal Farm Mortgage Corporation							
Capital stock	--	[b] 990,000.00	-			[b] 990,000 00	[b] 49 000 000 00
Other	[b] 2 443 573 36	[b] 1 955,257 18	[b] 2,371 605.78	[b] 2,219 143.27	[b] 23,775,264.24	[b] 59 099 273 71	8,790 086 37
Federal land banks							
Capital stock	-		- -		--	- -	[b] 39,957,850 00
Paid in surplus							[b] 36 924 408 39
Production credit corporations	[b] 1 031 533.81	[b] 6,455 643 19	[b] 1 384,908.48	[b] 373,507 89	[b] 369 855.62	[b] 11 058,999 24	[b] 8,600,000.00
Other	67,542.76	[b] 206 366.85	213 009 28	186,006.99	[11] 682,306 51	16 454,137 46	4,016 514.57

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [9]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Agriculture Department—Continued							
Forest roads and trails	$2 248,993.49	$4 891 237 36	$4,588 571 65	$1 006 417 19	$1 193 524.26	$1 208,338 89	$855,517 74
Foreign aid and relief							
Assistance to Greece and Turkey			-	2,739 65	9 735.72	58,767 02	68,521 13
Foreign Aid Act of 1947		-	-		-		-- -
Relief to people of countries devastated by war			15 221 574.97	33 892,348.61	38,800,693 11	18 451 130 81	43 297 179 77
Payments for United Nations relief and rehabilitation	40,983 571 15	1 866,037 50	871,499 77	28 752 400 51	5 446 065.41	435 700 65	78,558 92
Surplus property disposal	98,887 00	55,211 51	223 169 08	104 935.39	95 337 86	121 229 03	105,634 05
Other	27 961 595.73	864 550 64	13 891 475.37	21 019 041 01	11 613 354.55	11 024,031 78	33,536,413 80
Unclassified	[b] 486,696 95	[b] 1,255 236 94	659 899 13	892.75	[b] 892.75		[b] 1 029 00
Civil Service Commission							
Employees retirement funds (United States share)							
Alaska Railroad retirement fund		217 000.00					
Canal Zone retirement fund		1 177 000 00					
Civil service retirement fund		244,000 000 00					
Other	1 260 456.24	1 125 275.90	1 159,054 69	1 429 993 63	1,126,558 75	1 463,727 77	1 220,238.77
Commerce Department							
Civil Aeronautics	8,164,737 04	7 806 777 80	7 987 875 98	8,903 993.51	7,887 675.36	9 068,091 55	9,031 987 23
Surplus property disposal	34,649.63	6,296 69	36,201 52	46 080.59	34,374 25	54 656.36	47 747 17
Other	5,255,844.10	4 207 284 54	3 793,744.98	6,489 216.96	6 041 672.97	6,926 677 37	5 966,407 58
Unclassified	[b] 99,635.70	100 039 61	[b] 58.42	81.42	[b] 23.00	[b] 222.06	222.06
Economic Cooperation Administration etc							
Agriculture Department	-	-					
Economic Cooperation Administration							
Treasury Department		-					
Unclassified							-
Executive Office of the President							
Bureau of the Budget	245 513.54	247 660 05	362,859.87	253 304 69	251 516.36	247 907 76	250 273 94
Executive proper	147 917 44	112,609 93	124,948.27	138,377 92	109 080 20	87 893 53	107 289 33
Office for Emergency Management							
War Assets Administration							
Payments for United Nations relief and rehabilitation	1 484,483.25						
Surplus property disposal	48,885 885.61	39 749 966 46	25,950 839 21	21 294,708.70	27 982 505 05	20 074,592 18	18,295,279 97
Other	4,759 413.32	2 710,323 35	365 176.78	3 042,765 49	160 086.80	[b] 724,825 04	2,352,226 66
Relief to people of countries devastated by war	-		-	21 50	6 794.80	16,499 80	40 546 22
Other	418,702 18	126,132.42	93 695.84	94,976.99	63 820.13	50 865 49	64 542.12
Unclassified	[b] 372,740.44	371 298.18	[b] 3 990 87	5 252 00	306.13	74,136.54	[b] 247 512.51
Export-Import Bank of Washington	[b] 9 111 174.38	13 742,831 04	25 235 718.10	89 033 849 66	64,089 020 88	35,629 336 11	2,722,336 19

Expenditures [5]	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Agriculture Department—Continued							
Forest roads and trails	$790,251 31	$928,064 42	$1 323 045 90	$654 247 38	$1,201,687 75	$20 889 897 34	$23 483 958.04
Foreign aid and relief							
Assistance to Greece and Turkey	4,053,227 24	5,735,595 42	10 179 366 43	5,656 367 49	3 497 512 29	29 261 832.39	- - -
Foreign Aid Act of 1947	26,711 333.81	40,379 286.94	72,675,464 74	56,646 678.47	45 326,683 68	241 739 447 64	
Relief to people of countries devastated by war	17 409 873.31	11 448,946.15	18,396,422 94	5 189,558 62	2,831 535.63	204,939 263 92	
Payments for United Nations relief and rehabilitation	2,966 443 02	[b] 1 955,191 75	[b] 259 108.93	2,900,673 49	[b] 449 425.35	81 637 224 39	565,760,313 20
Surplus property disposal	70 620.66	73,694.19	93,182 80	60,106.31	87 842.27	1 189 850.15	1 966,183.67
Other	14,785 326.67	9 077 966.78	14,470,174.05	13 082,371 54	42,084,806.36	[10] 213,411 108.18	[10] 32 767 782.45
Unclassified	595.25	552.57	[b] 118.82	[b] 29 65	[b] 70 218 21	[b] 1 152,282.62	1 082,034 76
Civil Service Commission							
Employees retirement funds (United States share)							
Alaska Railroad retirement fund	- -		- -			217 000 00	217 000.00
Canal Zone retirement fund		-	--		- -	1 177 000 00	1 177 000 00
Civil service retirement fund						244 000,000 00	220 100 000 00
Other	1 320 922.48	1 627 578.32	1 382,872.20	1 402 893.30	1 494 144.25	16 013 716.30	15,265,208.86
Commerce Department							
Civil Aeronautics	7 193 236.80	9 747 248.71	9 212,130.07	7 849,775.42	10,023,543 44	102,877 072.91	84,019,685 10
Surplus property disposal	32,218.42	156,803.18	39 508.11	[b] 77 231.16	51 891 30	463 096.06	416,025.40
Other	4 125,904 11	6 115,692.93	5 491 357 43	5 993 112 55	8 537,791 32	68 944,706.84	83 742 433.59
Unclassified	[b] 109 42	111.42	[b] 2.00	3 504 50	[b] 3 477 40	431 01	[b] 403.91
Economic Cooperation Administration etc							
Agriculture Department	-- -		-	681 096 51	40 952,207 57	41 633 304 08	
Economic Cooperation Administration	-		1 620 37	63,384.72	92,457 981 25	92,522,986 34	-
Treasury Department					407 13	407 13	--
Unclassified			-		75 000 00	75 000 00	-
Executive Office of the President							
Bureau of the Budget	235,319 55	369 497 44	357 790 95	247,272 89	258,696 24	3,327 613.28	3 576,181.87
Executive proper	134,790 20	130,464.78	86,231 11	93,403.06	94,742.45	1 367 748.22	1 281 121 46
Office for Emergency Management							
War Assets Administration							
Payments for United Nations relief and rehabilitation			--- - - - -	[b] 24 693 79		1,409 789 46	-
Surplus property disposal	26,830,804.86	23 452,945.22	18,040 468.47	16,035 260 53	15 232,909 76	301 826,166 02	427,185 342.07
Other	[b] 8,227 16	117 446.81	[b] 1 064 110.21	498,467 90	298,849 15	12,507 593 85	111 165 214.77
Relief to people of countries devastated by war	24,049 07	14,254.44	47 466.56	37 954.99	-	187 587 38	
Other	99 931 46	112,534 50	96,492.32	72,713 97	142,282.29	1 436 689.71	58,345 509 71
Unclassified	173,246.77	[b] 4 764 99	4,397 19	[b] 41 47	[b] 417 08	[b] 830 55	
Export-Import Bank of Washington	[b] 4 696 754.90	110,522,601 46	36 987 841 20	54 288,058.23	46,624 340.14	465 068,003.73	938,304 644 73

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [1]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Federal Security Agency							
Social Security Administration							
Administrative expenses	$1,575 471.92	$638,376.47	$514,843.43	$588 746.58	$439 443 43	$646,135 14	$438,557 94
Grants to States (social security)	87 704,495.03	76,416,759 38	49,877 234.80	67 676,019 42	83 873,897 76	55,242,512.77	73 566,700.96
Other	565,395.78	443 718.73	421 156.64	326,060.21	460 025 79	533 027 71	907 028.27
Unclassified	93,590 85	[b] 14.28	14.15	[b] 141 257 62	141,258 52	[b] 1 147 45	1,147 45
Assistance to Greece and Turkey	-	-	-	-		327 85	2,830.40
Payments for United Nations relief and rehabilitation	13,142.14	12,791.41	2 597 44	1 702.83	[b] 21.07	236.20	28 490.68
Surplus property disposal	74,263 98	48,504.59	11 438.26	55,271.50	37 216.09	31 322.08	25,726.41
Other	26,694,206 25	22,850,541 90	11,476,522.22	15,120,724.63	13,139 012.44	10,971 408.82	18 786,457 22
Unclassified	14,251.42	[b] 14,217 62	2,481.02	144 811.50	[b] 147,326.32	[b] 113 896.40	113,545 48
Federal Works Agency							
Public Buildings Administration							
Construction	1,038,865.77	167 051.83	562,064.91	624,401.83	547 040 19	378,192.62	363,569 94
Other	3,487 076 79	4,718,473 03	5 417 362.00	5 475,720.56	5,315.190 02	7 720.717 40	5 372 045 40
Unclassified	[b] 35 164.23	1,710.29	33 031 96	421 98	[b] 134,624.00	134,624.00	
Public Roads Administration							
Assistance to Greece and Turkey						2,209.27	11,073 01
Other	28,497 429 15	30,108,083.20	34,992 186.26	40,381 058.59	33 624 086.45	33,728 485.17	20,768,460.20
Unclassified							
Bureau of Community Facilities	13,311 378.23	10,026 950.50	8 959 100 76	7,722,055.10	5 927 912.18	5,682,176.78	3 859 463 81
Surplus property disposal	18,423.38	9 196.52	30 969.18	7 415.47	2,748.22	14 383 70	17 846.88
Other	[b] 705 228.96	274,650.29	481,524.04	101,485 33	436,493.38	5 820 978.96	[b] 516 324.80
Unclassified	[b] 2,927 39		[b] 7 20	7 20			[b] 7 512.07
Housing and Home Finance Agency							
Federal Housing Administration	[b] 2,093,278.48	[b] 2,190 289.77	1 423,817 22	[b] 2 475,353 59	711,408.25	[b] 667 649 13	[b] 2,547 316.80
Home Owners' Loan Corporation	[b] 12,046,506.75	[b] 15,566,565.43	[b] 16,897 154.13	[b] 13,127 290 95	[b] 11,273,079 07	[b] 11,848,585 98	[b] 13 808,918.23
Public Housing Administration							
Veterans housing	5 351,377 73	2,942,789 23	3 241,255.16	4,013,632.06	3 614,828 44	4,318,543 47	4,079,622.53
Other	4,632,945 63	2,997 002.49	3,976,647 57	2 086 211.72	2,860 090 16	6 401,160 20	3 125,022.03
Unclassified	[b] 263 07	854.87	31.18	8,157 78	[b] 8 449.39	583 08	[b] 30 707 91
Surplus property disposal	17 512.38	11,308.44	15,851 45	3 904.40	6 30	2,954.02	31 15
Other	572,860.73	52 280.92	[b] 4 114.77	186 129 51	69 988.44	[b] 52,223 58	158,489.90
Unclassified	[b] 68,520.42	68 498.49	[b] 31.18	[b] 9 501.85	9 554.96		[b] 41 837 58
Interior Department							
Bureau of Reclamation	13,051,925.50	13,691 404.18	16,676 245.51	16,141 022.64	15 096,869 62	14,965 371 67	18,988 427 46
Surplus property disposal	33 352 32	24,738.74	27 789.55	36,057 20	31,083.69	41,179 22	47 749 25
Other	13 135,057 10	15 695,432.46	14,778 419 31	13,164,755 92	12 332,611.41	14,125 509 66	11 443 836 17
Unclassified	[b] 3,306 89	25,686 01	[b] 26,038.54	[b] 31 242.00	29 815 60	[b] 225 770.76	226,747 93
Justice Department	8,770,637 88	8,616,334.45	8,875 340.37	9,891 170 49	9 214,816 76	11,507 987 03	12,889,869 63
Labor Department							
United States Employment Service	15 098,921.84	872,827 36	15,509 444.28	747 927 66	1,688 801.22	12 618,952.73	4 422,940 18
Other	1,555 759.07	1,461 739.08	1,574 446.14	1 453 238.68	1,139 150 47	1,179,307 63	1 485,326.33
Unclassified				3 45	[b] 3 45		

Expenditures [9]	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Federal Security Agency							
Social Security Administration							
Administrative expenses	$375,084.93	$653,114.05	$404,291.98	$447,331.33	$562,098.46	$7,283,475.66	$12,425,472.23
Grants to States (social security)	75,075,309.87	53,235,696.32	83,896,899.22	65,454,655.15	47,580,289.28	819,579,469.96	703,870,291.19
Other	184,779.84	468,290.78	350,170.87	827,956.48	505,262.62	5,982,873.72	4,143.86
Unclassified	[b]4.17	3.17	1.00	---	---	93,591.62	[b]93,591.62
Assistance to Greece and Turkey	4,780.51	2,210.71	3,545.86	2,935.92	4,055.20	20,686.45	-
Payments for United Nations relief and rehabilitation	8,307.66	1,036.17	759.29		[b]10.87	69,031.88	22,159,541.37
Surplus property disposal	18,421.93	37,965.25	28,373.11	27,665.41	24,607.84	423,776.45	1,116,495.32
Other	9,478,300.68	18,683,768.94	20,266,871.63	12,332,870.99	10,177,407.29	189,978,093.01	211,620,390.88
Unclassified	[b]148.93	464.23	[b]130,401.16	130,188.91	368.12	120.25	
Federal Works Agency							
Public Buildings Administration							
Construction	750,227.35	1,104,869.79	244,136.99	524,749.03	313,509.01	6,627,679.26	17,954,053.41
Other	4,703,218.40	5,220,142.63	7,601,997.13	3,795,283.14	6,186,408.00	65,013,634.50	61,548,727.27
Unclassified	-	[b]23.90	23.90		[b]1,070.73	[b]1,070.73	[b]20
Public Roads Administration							
Assistance to Greece and Turkey	17,652.10	125,475.88	229,581.64	1,236,388.12	668,876.46	2,291,256.48	
Other	13,378,260.91	15,830,705.71	16,933,413.87	22,815,595.59	31,884,088.07	322,941,853.17	214,122,102.19
Unclassified			69.37	[b]89.37			
Bureau of Community Facilities	4,081,145.63	3,478,951.64	2,162,974.62	2,059,453.14	3,830,700.62	71,102,263.01	61,099,295.65
Surplus property disposal	5,070.95	16,771.51	6,676.16	5,688.00	3,764.82	138,954.79	483,435.49
Other	807,247.65	139,922.93	301,003.04	133,554.43	480,727.12	8,356,033.41	480,425.14
Unclassified	7,512.07	[b]8,754.26	8,684.89	69.37		[b]2,927.39	2,927.39
Housing and Home Finance Agency							
Federal Housing Administration	347,225.96	1,322,088.52	[b]2,244,522.90	4,426,302.64	[b]15,772,767.44	[b]19,760,335.52	[b]1,254,456.47
Home Owners' Loan Corporation	[b]9,321,490.02	[b]12,212,124.28	[b]12,139,166.52	[b]12,133,766.46	[b]11,268,445.24	[b]151,643,093.06	[b]201,687,508.46
Public Housing Administration							
Veterans housing	8,018,935.40	2,617,636.35	2,364,161.09	1,331,691.93	1,311,790.66	43,206,264.05	361,010,895.08
Other	32,439,815.13	[b]7,909,842.51	7,337,108.03	[b]3,882,391.36	4,678,784.71	58,792,553.80	16,625,951.67
Unclassified	30,363.95	[b]1,799.28	[b]1,906.06	[b]339.31	[b]2,325.76	[b]1,987.80	[b]569.87
Surplus property disposal	[b]377.00	8,684.77	83.00	909.44	381.20	61,249.55	178,346.07
Other	47,315.66	[b]197,101.89	240,615.38	331,528.18	[b]248,862.29	1,156,906.19	107,937,168.02
Unclassified	41,353.18	629.40	[b]150.00	[b]5.82	5.82		--
Interior Department							
Bureau of Reclamation	10,521,772.20	13,577,819.52	14,262,854.48	13,771,498.44	18,008,561.56	178,752,772.78	123,544,028.37
Surplus property disposal	11,123.42	11,195.50	7,818.20	[b]4,135.24	5,111.71	273,063.56	2,687,348.86
Other	19,464,627.16	15,302,828.36	14,065,856.28	12,839,642.16	16,829,323.97	173,177,899.96	144,660,475.41
Unclassified	[b]9,629.08	[b]56,310.65	[b]7,603.73	70,085.41	3,712.65	[b]3,904.05	3,664.53
Justice Department	9,212,659.72	9,807,440.18	9,048,489.19	9,469,747.33	12,127,337.79	119,431,830.82	126,249,195.85
Labor Department							
United States Employment Service	779,861.69	6,522,495.47	490,678.94	5,332,543.22	6,303,353.22	70,388,747.81	82,701,456.54
Other	1,092,935.42	1,675,008.19	1,205,963.19	1,235,966.54	1,176,492.09	16,235,332.83	52,807,937.43
Unclassified				[b]44.60	44.60		-

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [9]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Maritime Commission							
Liquidation War Shipping Administration obligations [12]	-	-		$456,936 68	$5 505 009 91	$2 067 623 30	$1 141,687 97
Payments for United Nations relief and rehabilitation	$5 036 952.72	$1 553,861.94	$1 253 158 59	689,829 03	1 554 238 84	5,649 177 75	54,155 32
Surplus property disposal						4 112.74	415.66
Other	[b] 14 732 141 58	18 258,509 02	37 184,309 23	37 161,261 90	12 103 372.12	17 528,210 82	21 522 017 10
Unclassified	[b] 11 435 28	[b] 968,123 27	979 100 92	457 63	224.00	[b] 1 332.64	[b] 4 076.20
National Military Establishment							
Office of the Secretary of Defense		-				-	
Department of the Army [13]							
Military functions							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	21 879 500 00	22,961 575 00	27 202 175.00	29 945 950 00	19 472,025 00	12 180 375.00	9 819 750.00
Cash payments	2,258 080 00	2,439 670 00	3 434,343 00	4 930 663 00	3 373,477 00	2,419 376.00	1 935 344.00
Assistance to Greece and Turkey	-	10.25	147 543 64	808,546 59	1 022,778.98	3 994 071 02	4 395 043.23
Care and handling of surplus property overseas		-	-		-		
Foreign Aid Act of 1947							
Payments for United Nations relief and rehabilitation		40,334,168.36	116 030 43	2 459 436 61	---	749 859 79	45 135.74
Relief to people of countries devastated by war			99 450 39	49 745 27	942,902.62	1 737 641 67	2,479 431 82
Surplus property disposal	[b] 336.63	37 655.67	108 199 34	26 084.34	13 281 81	12 188.42	838 83
Other	452,780 014.63	501,069 769 46	499 318,881 38	644,668 861 54	497 808 801 71	556,626,056.68	676,340 945 56
Civil functions							
Government and relief in occupied areas [15]	-	-	21,712 95	2,598 629 34	38 712,321 49	55 616 354.40	47 006,721 46
Panama Canal	1,724 013.11	1 583,339 95	2,446 365 48	1 689 269 00	1 427 858 00	919 582 07	1 915,387 83
River and harbor work and flood control	31 047 228.84	30 900,477 26	35 466 762.43	38,118 331 90	29,351 013.86	40,539,891 98	43,070 642.16
Other	1 763,970 71	2,061,310 65	2,151 627 33	2 696 941 71	5 363 694 90	6,308,950 19	5,011 827 39
Unclassified	10 455 77	[b] 69 955 980 20	69,930 121 44	[b] 6 189 31	26,645 68	1 898,794 73	[b] 1 952,971 11
Department of the Navy							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	13 414 675 00	19 584 950 00	20 330,825 00	11 466,925 00	4 245 500 00	2,527 025.00	1 473,150 00
Cash payments	1 977 370.81	1 460 216.90	2 424,967 08	2 120 137 20	1 088 377 72	841 805 29	446 380 32
Assistance to Greece and Turkey			-	295,810 61	177 735 88	94.82	617 198 78
Care and handling of surplus property overseas		-		-	-		-
Payments for United Nations relief and rehabilitation	245 403 60	3,190,334.48	365 22	1 003,225 40	228,511 34	3 029 383 39	1 048,499 51
Other	368,190,685 66	319 550 373 62	303,193 607 73	357 194,867 91	349 750 025.01	353 749 388.87	330 780,359 54
Unclassified	[b] 473 095 95	[b] 490,739 67	963 928 17	1 169 60	817 48	[b] 263 59	[b] 293,680.96

Expenditures [9]	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Maritime Commission							
Liquidation War Shipping Administration obligations [12]	$2 965,305.37	$2,198,472.12	$831 891 05	$1 830 456.56	$7 932,832.90	$24,930 215 86	- - -
Payments for United Nations relief and rehabilitation	47 323 11	2,726,500 11	3,407,831 07	449,920 37	1 172 722.98	23 595,671 83	$316 305,316 69
Surplus property disposal	[b]4 112 74					415 66	1 816 371 62
Other	32,730 331 19	27 766 972.61	27 693 453.73	21 885 533.09	12 803,174.31	251,905,003 54	345,323 575.15
Unclassified	5,184.84	[b]7 239 50	7 239 50	-			
National Military Establishment							
Office of the Secretary of Defense		68 907 39	98,122.54	41 714 19	188,123 73	396,867 85	
Department of the Army [13]							
Military functions							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	4,573,700 00	2,224.100 00	1 503,750 00	1 009 925 00	857 475.00	153 630 300 00	1 275,138,175 00
Cash payments	1 075 218.00	744 111 00	390 870.00	495,709 00	313 392 00	23 810 253.00	98 995,261 00
Assistance to Greece and Turkey	4,293,095 74	12 415,933 77	6,280,128 48	12,268,108.87	11 970 604 03	57 593 864.60	
Care and handling of surplus property overseas		16,472 547 24	212,430 74	397 803 00		17 082,780 98	
Foreign Aid Act of 1947		157 410.16	293 461 41	887 972.63	6 206,264 51	7 545,108.71	
Payments for United Nations relief and rehabilitation		249 23	152,255 63			43,857 135 79	123 887 242 29
Relief to people of countries devastated by war	2 860 231 20	3,848,109 18	9 632 214.96	3 231 586.09	1 704 593 15	26 635,906 35	
Surplus property disposal	25 550 71	[b]7 246 21	959 50	[b] 30 60	3,646.28	220 791 46	5 106 677 30
Other	439 218 180.98	377 883 662.80	480 978,516 70	531 570,147 88	476,758 280 28	6 125,022,119 60	7 424,566,319 16
Civil functions							
Government and relief in occupied areas [15]	55,422,950 51	231 976,107 94	92,136,853 64	69 141,909 95	127,966,036 38	720 599 598 06	
Panama Canal	1 368 728 63	1 806,580 89	1 670 304.03	1 460,105 45	223,133 36	18,234 667 80	22,212,034 07
River and harbor work and flood control	27 013 480 54	26,401 357 98	34 893 229 23	38,826,958.78	47 182,051 42	422,811 426 38	222,284,604.56
Other	10 385 739 80	18 608,441 82	10,228 124 71	10,183 179.54	8,181 968.78	82 945,777 53	
Unclassified	[b]1 712,424 70	1 759,511 27	1 968 98	194 684.28	[b]1 590,585 26	[b]1 395 968 43	
Department of the Navy							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	976 700.00	934 075.00	733 325.00	478 725 00	502 625.00	76 668 000 00	539 294,550 00
Cash payments	229 431 25	220 249 67	166 077 77	140 485.66	120,556 08	11 236,055 75	38 323 544.28
Assistance to Greece and Turkey	554 540 37	1 684,477 55	1 851 313.78	3,334,203.59	4 946 404 53	13 461 779 91	
Care and handling of surplus property overseas			1 986,733 29	713,961 22	203,980 42	2,904 674.93	
Payments for United Nations relief and rehabilitation	[b]99 343.95	51 689 96	286,787 84	42,695 11	36 535 04	9 064 086 94	22,020,364 85
Other	336,735 314.74	367,899 067 11	338,182,355.73	340,760,752.98	407 302,177 54	4,171 288,976 44	4 997 623 729 10
Unclassified	294,043.47	[b]849.52	762.59	[b]962.35	[b]6,082 76	[b]4 948.49	[b]2,183.55

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [9]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Post Office Department (deficiency)							
Current year	-	-	$50,000,000.00	-		-	$50,000,000.00
Prior years	-	-	8,528.06	-	-		-
Railroad Retirement Board							
Railroad retirement account	$511,572,000.00	-	-	$56,500,000.00	-	$498.50	58,000,000.00
Acquisition of service and compensation data	-	-	-	-	-	-	-
Administrative expenses	614,191.33	$304,603.46	305,658.17	520,374.07	$335,545.76	510,337.53	426,911.77
Railroad unemployment insurance administration fund	462,396.93	458,508.35	453,644.88	391,268.18	396,203.53	693,339.82	349,217.86
Railroad unemployment insurance administration fund (transfers to unemployment trust fund)	9,650,100.00	-				-	
Unclassified	[b]18.41						
Reconstruction Finance Corporation [16]	82,767,118.82	19,159,509.01	245,860,607.77	6,926,904.83	[b]4,191,687.22	[b]10,735,638.25	41,806,997.65
State Department							
Foreign service retirement fund	2,085,000.00	-	-	-		-	-
Foreign aid and relief							
Assistance to Greece and Turkey	10,044.35	5,159,924.13	10,222,315.77	10,151,063.95	435,607.11	[b]9,813,518.07	5,258,773.19
Foreign Aid Act of 1947	-	-			-	-	2,873,903.86
International Children's Emergency Fund	-	-	-	-		-	
Relief to people of countries devastated by war	6,157.10	23,062.10	16,841,312.34	3,633,232.79	5,243,395.72	11,429,100.11	12,800,425.55
Payments for United Nations relief and rehabilitation	23,471,937.76	858,856.75	6,532,899.29	3,621,048.52	467,396.42	891,146.15	102,689.85
Surplus property disposal [17]	[b]782.60	[b]48,749.38	[b]177.21	21,869.56	1,993.94	1,309.97	[b]3,603.25
Other	19,531,274.17	33,817,720.29	16,804,084.72	12,861,231.32	9,812,166.98	10,560,270.16	25,596,429.89
Unclassified	[b]3,958.29	3,930.06	28.23		[b]3,277.25	3,512.29	[b]242.88
Tennessee Valley Authority	3,798,925.27	2,100,994.74	2,318,916.68	2,979,107.93	2,387,424.31	2,401,739.05	6,818,848.61
Treasury Department							
Credit to United Kingdom	700,000,000.00	600,000,000.00		-		100,000,000.00	100,000,000.00
Subscriptions to							
International Bank		-	-		-	-	-
International Monetary Fund		-	-		-	-	-
Interest on the public debt							
Public issues	233,187,798.50	103,166,135.41	667,473,703.20	155,987,176.54	126,361,749.39	962,647,262.02	249,182,253.63
Special issues [13]	11,992,622.77	255,047.86	762,829.82	1,396,709.95	247,178.69	9,541,463.68	152,005,214.91
Refunds of taxes and duties							
Customs	1,398,143.61	904,697.54	1,150,772.94	1,868,432.18	956,206.75	2,599,143.65	1,595,691.15
Internal Revenue							
Excess profits tax refund bonds	[b]150,298.98	[b]1,157,292.20	[b]799,803.70	[b]136,795.63	[b]232,852.32	[b]114,104.65	[b]43,121.70
Other	119,255,004.10	103,342,732.27	52,316,817.64	53,142,576.37	40,822,039.36	50,182,712.07	76,265,673.97
Processing tax on farm products	-	-	-	-	-	-	-
Unclassified	[b]4,638.20	4,368.09	84.66	286.98	[b]215.28	[b]171.86	[b]439.27

Expenditures [9]	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Post Office Department (deficiency)							
Current year			$100 000 000 00		$110 000,000 00	$310,000 000 00	$260 000 000 00
Prior years					204,922.66	213 450 72	[b]18,212,826 28
Railroad Retirement Board							
Railroad retirement account			59 000 000.00		73 416,000 00	758,488 498.50	298 463,000 00
Acquisition of service and compensation data							[b]2.50
Administrative expenses	$377 512.63	$398,175 71	330,662.16	$384,437 23	496,606.06	5,005,015.88	4 289 015.51
Railroad unemployment insurance administration fund	280 443 25	500 971 36	398 788.60	648,365 89	491 442.98	5,499 591 63	4,462,779 81
Railroad unemployment insurance administration fund (transfers to unemployment trust fund)						9 650,100.00	9,214 985.00
Unclassified		[b]23,294.49	38,548.56	[b]15,251 57	[b]2 50	[b]18.41	18 41
Reconstruction Finance Corporation [16]	[b]3,876,665 60	[b]6 286,313 05	20 069 242 30	19 705,831 19	26,423 247 58	437 629,155.03	385,355 448.06
State Department							
Foreign service retirement fund						2 085,000 00	1,051,000 00
Foreign aid and relief							
Assistance to Greece and Turkey	5,310,900 26	5 203,559 10	10,472,190 05	363,629 30	5,935 833.29	48 710,322.43	
Foreign Aid Act of 1947	50,935 367 40	69 820 574.15	58 917 821 08	32 989 932.79	31,814,277 04	247 351,876.32	
International Children's Emergency Fund					27,652 364.64	27 652 364 64	
Relief to people of countries devastated by war	981 082.69	330 883.62	12,737 634 07	40 836 32	[b]22,114,209 16	41,952,913.25	
Payments for United Nations relief and rehabilitation	21 677 89	7 729 938.16	24,952,637 54	4,845 045.91		73 495 274.24	178 177 135.17
Surplus property disposal [17]	409 20	1 263 77	1 857 32	2,536.15	9,206.73	[b]12,865 80	1 157 513.40
Other	16 693 579 42	31,337 726 54	11,977 433.15	10 145,306 28	27,460 702.44	226 606,925 36	133,311,724.79
Unclassified	15.69	[b]5 556.69	4,958.03	[b]5 795 51	29 999 98	23,613 66	
Tennessee Valley Authority	2 715,002.54	2 125 923.26	4,037 629 15	2,699 649.49	5 922,420 83	40,306 581.86	16 293,942.81
Treasury Department							
Credit to United Kingdom	100,000,000 00	100,000 000 00				1 700 000 000 00	2,050 000 000.00
Subscriptions to							
International Bank							476 250 000 00
International Monetary Fund							950 000 000 00
Interest on the public debt							
Public issues	141 947 452.01	607 606 072.22	152,074,941 90	122,772,007 35	960 545,735 62	4,482,952,287 79	4,356 004 347 40
Special issues [18]	430 987 75	705 537 66	1 905,146 61	971 088 39	547 935,749.59	728,149,577 68	601,918,136.45
Refunds of taxes and duties							
Customs	1 652,756 58	1 602,304.78	1 502,197 98	291 792.58	3 527 975 45	19,050,115.19	17,480,262.82
Internal Revenue							
Excess profits tax refund bonds	[b]223 255.19	[b]58,968.87	[b]113,767 67	[b]108,484.23	[b]295,625 92	[b]3 432 371 06	[b]15,943,132.97
Other	180,662,381.66	463 051,042.63	553 440 024.93	387,927 769 71	229 945 903 26	2,310,354,677 97	3 045 917 324 91
Processing tax on farm products							2,119 002.39
Unclassified	441.37	8 118.98	[b]8,526.79	421 21	[b]562.00	[b]832.11	1 158.36

Footnotes at end of table

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures [5]	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Treasury Department—Continued							
Coast Guard							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	$753 600 00	$1 100 225 00	$1 327 275 00	$295 000 00	$71 850 00	$74 525.00	$34 075.00
Cash payments	63 770 04	58,128.27	132 894 61	68 283 50	21 412.40	16 362.08	9 776 10
Other	13 251 513 65	7 438,702.38	12,308 830 62	8 276 630 66	7 398 074.23	10 579 658.61	8 213 224.69
Foreign aid and relief							
Assistance to Greece and Turkey	688.89	1 849 98	2 626.32	795,129 28	165,360 02	429 199 19	990 350.38
Foreign Aid Act of 1947	-	-			-	-	
Relief to people of countries devastated by war		-	56 361 64	121 610 53	163 728.42	148 952 85	106 168.09
Payments for United Nations relief and rehabilitation	10 070 333 33	4,690 0[illegible]2.77	3 840 468.58	4 366 059 53	496,586 65	7 969 577 57	1 691 638.06
Other	28,197 526 34	68 154 325.32	55 147 217 88	36 262 063 63	22,872 883 10	31 284 331 91	34 847 174.88
Unclassified	[b]85.85	288.27	[b]44 923 27	28,901 53	15 500.30	799 32	[b]1 601 95
Veterans' Administration							
National service life insurance fund	25 289 287 56	15 793 734.34	9 206,582 60	9 030 138 15	19 744 054.44	23 047 767 15	7 766 968 94
Benefits under Servicemen's Readjustment Act	283 054 739 18	243 249 377 01	237 365,512.86	221 349 033 76	257 434 719 37	276,071 133 40	262,389 417 20
Pensions and compensations	162 057 821.82	167 417 261 93	167 160,963 02	170 586,855.76	173 325 751 18	175,818,442 84	174,724 331 07
Other	93 998 574.90	84 193 388.96	80 515,154 18	80 217 867 62	75,661 010.35	93,496,458.79	79 188 995.20
Unclassified	[b]7 786.74	8,087 48	[b]143 24	11 665 38	[b]12 516 02	1 069 89	[b]3 007 97
Independent offices and commissions							
General Accounting Office	2,840 558.25	2,620 049 09	2 765 649 51	4,045 179 17	2 660 496.95	2 764,751 80	2 550 041.58
Interstate Commerce Commission	824 980 26	948,095.05	1 037 164.88	832 195.04	780 763 01	825 296.78	1 001 322.66
National Advisory Committee for Aeronautics	2,941 226.72	2 580 966 67	2 841 943 95	2 953 998.96	2 020 405.65	3 481 350.67	3 476 284.31
Office of Selective Service Records	2 567 681 96	759 831.80	551 546 48	357 846.61	449 996.63	310 253 90	913 734.73
Other	33 088,482 04	25 020 389 16	54 515,123 71	36 266 287 84	34 304,765 91	40 432,095 06	44,540 198 05
District of Columbia (Federal contributions)	-	12 000 000.00	-			-	
Post Office Department (excluding deficiencies and expenditures from postal revenues)	[b]121 054.00	194,201.58	371 577 48	28 889 07	70 116 60	554 766.55	[b]16,591 62
Adjustment for disbursing officers checks outstanding	536.96						
Unclassified	[b]111 632.04	15 222 77	[b]11	[b]2,462 91	2,448 72	14.19	[b]16,837 13
Total budget expenditures (excluding transfer to F E C trust fund)[19]	3 669 272 065 51	3 060 289 380 05	2 932,086 115.16	2 445,381 541.66	2 194 250 237 13	3 223 941 727 63	2,879 157 552.96
Transfer to F E C trust fund [20]			-				-
Total budget expenditures (including transfer to F E C trust fund)[19]	3 669 272,065.51	3 060 289 380 05	2 932,086 115 16	2 445 381 541.66	2,194 250 237 13	3 223 941 727 63	2,879 157 552.96

Expenditures [9]	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Treasury Department—Continued							
Coast Guard							
Armed Forces Leave Act of 1946 [14]							
Bonds issued	$49,300.00	$56,475 00	$81 675 00	$21 750.00	$14,100 00	$3,829 850 00	$32 473 775 00
Cash payments	8 419 52	9 738 66	5,421 57	3 246 58	3 792.92	431 246 25	2 001 336.78
Other	7,778,232.45	8,457 360.16	9 967 491 90	5,909 199 07	8,349 788 01	107 928,706.43	123,531 916 60
Foreign aid and relief							
Assistance to Greece and Turkey	1 411 908 88	1 478,071 69	1 238,372.33	1 447 796 65	1 287 775 84	9 199 131 45	
Foreign Aid Act of 1947		289 400 39	83,386 43	273 472.76	947 671 42	1 543,931 00	
Relief to people of countries devastated by war	221,816.36	306 598.58	165 604.64	782 551 52	904 955 03	2 978,347 66	
Payments for United Nations relief and rehabilitation	2 000,393 63	333,285 97	512,800.19	[b] 1 521 450 60	305 699 67	34 755 745 35	272,241 069 09
Other	44,366,670.61	34,362 837 36	46 700 979 78	41 334 029 95	39 830 690 42	481 360 736 18	525,060 437 38
Unclassified	1 592.69	16 289 31	[b] 16 161 02	[b] 679 03	818.02	738 32	[b] 189 14
Veterans Administration							
National service life insurance fund	10 637 321 21	17 423,041 26	11 404,775 09	683 019 65	2,948,687 62	152,955,378.01	816 662,407 08
Benefits under Servicemen's Readjustment Act	262,952,059 18	318,068,509 30	300 222,137 98	278,546,549 94	282,346,720 23	3,223,049 909 41	3,593 503 444.14
Pensions and compensations	176 079 601 61	175 636 236.25	175,242,585.33	175,023 707 33	176 095,265.56	2,069 168,823 70	1 909 905 414 02
Other	79 339 259 20	85 589,741 80	95 390 469 25	75 956 374 19	100 735 587 12	1 024 282,881 56	938,615,340 04
Unclassified	3,031 71	34,938 80	[b] 31 468 08	[b] 3,923 86	1 213.86	1 161 21	[b] 4 478 45
Independent offices and commissions							
General Accounting Office	2,415,271 63	3 622 801 90	2,479 242.09	2,502 637 45	2,568,222 13	33 834,901 55	40 318 039 49
Interstate Commerce Commission	617 332.08	1 168,013 43	791 700 07	859 934 34	821 719 65	10,508 517 25	10 [illegible]06 928.00
National Advisory Committee for Aeronautics	2,493 433 90	2,747 226.12	3 408,721 88	3 486 293.84	4,172,383 46	36 774,236 13	36 297 104.65
Office of Selective Service Records	313 793.13	229 642.04	294,983 92	289 985 67	200 105.47	7 239 402 34	33,784,856.52
Other	62 167,490 38	61 040 062 45	50 335 686.58	64 503 797 13	53,105,597 75	559 319 976 06	198,808,101 79
District of Columbia (Federal contributions)						12 000 000 00	8 000 000 00
Post Office Department (excluding deficiencies and expenditures from postal revenues)	32 014.31	654 279 78	[b] 9 289 92	[b] 3 409 757 25	812,993 88	[b] 837 853 54	3 818,46[illegible].33
Adjustment for disbursing officers checks outstanding	[b] 56 00	[b] 2,271 78			[b] 76 80	[b] 1 867 62	50 639 47
Unclassified	16 832.13	[b] 103 005 43	100,458 97	2 548 96	[b] 319 97	[b] 96,731 85	[b] 234,243 69
Total budget expenditures (excluding transfer to F E C trust fund) [19]	2,401 921 370 84	3 546,028,174.24	3,108,548 281 89	2 603 825 498.50	4,261 370 287 26	36 326,072 232 83	42,505 045,528.52
Transfer to F E C trust fund [8]					3 000 000 000 00	3,000 000 000 00	
Total budget expenditures (including transfer to F E C trust fund) [19]	2,401 921 370 84	3 546,028 174.24	3 108,548 281 89	2 603,825 498.50	7,261,370,287 26	39,326,072 232.83	42,505,045,528.52

Footnotes at end of table

TABLE 3 —*Budget receipts and expenditures, in detail, monthly for fiscal year 1948 and totals for 1947 and 1948*—Continued

	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Budget surplus, or deficit (—) excluding transfer to F E C trust fund [20]	—$1,271 954 816.57	—$523, 802, 402.00	$1 939 506 231 59	—$55, 115 560 33	$548 915 478.04	$1 021, 641, 751 51	$1, 395, 818, 432.40
Budget surplus, or deficit (—) including transfer to F E C trust fund [20]	—1 271 954 816.57	—523 802, 402.00	1 939 506, 231.59	—55, 115 560 33	548, 915 478.04	1 021, 641 751 51	1 395 818, 432.40

	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Budget surplus or deficit (—) excluding transfer to F E C trust fund [20]	$1 934 334, 680 01	$2, 788 326, 000.17	—$302, 067 193 94	$102, 772, 733 44	$841 094, 509 49	$8 419 469 843 81	$753 787 660.28
Budget surplus, or deficit (—) including transfer to F E C trust fund [20]	1, 934 334 680 01	2, 788 326 000 17	—302, 067 193 94	102 772, 733 44	—2 158 905 490.51	5 419 469 843 81	753 787 660 28

[a] Counter-entry receipts (deduct)
[b] Excess of credits (deduct)
[1] Includes $143 027,000 representing proceeds of sale of the war emergency pipe lines by the War Assets Administration.
[2] Includes $360 000,000 in December 1947 $150 000 000 in February 1948, $70,000,000 in March 1948 $50,000 000 in April 1948, and $120,000 000 in June 1948 representing proceeds of ship sales finally allocable to surplus property receipts, which have been carried in trust accounts pending final determination
[3] Includes adjustment in the amount of $70,368 844 13 representing collections by Farmers' Home Administration of principal and interest on loans which were formerly classified as reductions of expenditures under Agriculture Department Farmers Home Administration Farmer's crop loans etc" and are now classified as 'Other miscellaneous receipts Proceeds of Government-owned securities Other'
[4] See footnote 3, table 5.
[5] Includes $209,827 810 45 on account of accumulated earnings of War Damage Corporation. Since this amount was merely a transfer of money from the account of Reconstruction Finance Corporation to miscellaneous receipts account of Treasury a corresponding reduction in previous expenditures of Commodity Credit Corporation Similar payments during 1947 amounted to $17 875,601 67 $32 000 000 and $230,388 000 of these payments were repaid by Commodity Credit Corporation during 1948 and 1947, respectively, through May to lend-lease funds of Agriculture Department
[11] Includes $500 000 subscription to paid in surplus of Federal Intermediate Credit Bank, Columbia, S C from revolving fund provided therefor by Farm Credit Act as amended
[12] Obligations of War Shipping Administration incurred prior to January 1 1947, are paid by Secretary of the Treasury pursuant to Public Law 299, approved July 31 1947
[13] Expenditures of Department of the Air Force are currently being made from Army appropriations pending transfer of funds pursuant to act of July 26 1947
[14] Administrative expenses in carrying out provision of act are included under Other
[15] Represents expenditures from appropriation for fiscal year 1948 Expenditures for this activity from prior years appropriations are included in classification Department of the Army Military Functions Other
[16] Includes transactions on account of Federal National Mortgage Association Office of Defense Plants, Office of Defense Supplies Office of Metals Reserve Office of Rubber

sponding amount appears as expenditures of Reconstruction Finance Corporation, below

[6] Includes $60 000,000 allocable to sales of surplus property which has been carried in special deposit accounts pending final determination

[7] Includes $266 695,250 41 on account of retirement of capital stock, Federal Deposit Insurance Corporation.

[8] Includes $17,693 492.14 representing deposits of excess capital by Commodity Credit Corporation based upon appraisal of its assets and liabilities as of June 30, 1947

[9] Expenditures are 'net,' after allowance for reimbursements to appropriations, receipts of revolving fund appropriations, and receipts credited to disbursing accounts of corporations and agencies having authority to use collections without formal covering into Treasury When such credits exceed expenditures the items are indicated by the prefix 'b Sales and redemptions in market of obligations of Government corporations are shown in table 4

[10] Payments of $1,453 05 have been made during fiscal year 1948 through May 31 by Agriculture Department to Commodity Credit Corporation in reimbursement for agricultural commodities procured in connection with lend lease program and reflected

Reserve, RFC Mortgage Company (prior to July 1 1947) U S Commercial Company and War Damage Corporation

[17] Does not include expenditures from direct appropriations for expenses of disposal in foreign areas

[18] The accounts for which special issues are held are shown in the Monthly Public Debt Statement, appearing on pages 5, 8 and 9 of the Daily Statement of the United States Treasury, for the first business day of each month. Some of such accounts also hold marketable obligations the interest on which is included in public issues on the line above

[19] Exclusive of statutory debt retirements from sinking fund. Such retirements amount to $746 379,700 in 1948

[20] Section 114 (f) of Economic Cooperation Act of 1948 approved April 3, 1948 required that the sum of $3 000 000 000 be transferred to a trust fund entitled 'Foreign Economic Cooperation Trust Fund and considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949, with consequent effect on the surplus or deficit of those years

TABLE 4.—*Trust accounts, etc., monthly receipts and expenditures, in detail, for fiscal year 1948 and totals for 1947 and 1948*

[On basis of daily Treasury statements, see p. 393]

Receipts	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Federal old age and survivors insurance trust fund							
Appropriations [1]	$72,389 519 00	$329 258 215.70	$13,861 244.61	$65 591 840 14	$310 495,827 46	$14 078 344.45	$35,496 329 14
Interest on investments	63 913 04		9 241 678.12			11 953 648.24	60 774 565.21
Transfers from general fund						700 000.00	
F E O trust fund (transfer from general fund) [2]							
National service life insurance fund							
Interest on investments							
Premiums and other receipts	40 765 936.19	38,664,066.89	30 556,378 14	35 598 897 96	23 084 607 05	33 550 485.50	40 621 200 33
Transfers from general fund	25,269 287 56	15,793 734 34	9 206,582.60	9 030 138.15	19 744,054 44	23 047 767 15	7 766 968.94
Railroad retirement account							
Interest on investments	23 606.56	68,278 69	116,557 38	165 245.90	213 360 66	271 721.31	332,786 89
Transfers from general fund	511 572,000 00			56,500 000.00		498 50	58,000,000 00
Unemployment trust fund							
Deposits by States	39 069 571 65	243 149 416.41	12,784,597 88	37 897 151 91	212,267 625.84	16 363,090.67	27 678,013.14
Interest on investments	24 728.26		3 861 141 30	195,380 44		5 365,625 61	71 792,180 99
Railroad unemployment insurance account							
Deposits by Railroad Retirement Board	93 919 58	1 622,845 82	26,178,741 40	3 300 669 88	1,178 372.88	31 290 211 97	29 882.43
Transfers from States (act June 25 1938)							
Transfers from railroad unemployment insurance administration fund (act Oct 10 1940)	9 650 100 00						
Other trust accounts							
Adjusted service certificate fund							
Interest on loans and investments	22.62	160 724.24	45 10	579.37	5 19	3 823 75	240 052.74
Transfers from general fund				[a] 6 000,000.00			
Alaska Railroad retirement fund							
Deductions from employees salaries, etc	25 648.47	31,264.69	28,415.58	29 471.57	30 754 88	60 00	55 461 09
Interest on investments	139 34						
Transfers from general fund (U S share)		217 000 00					
Canal Zone retirement fund.							
Deductions from employees salaries, etc	171 791 76	91 868.90	85,616 74	100 000 70	108,336.16	5 197 43	169 581 78
Interest on investments	409 84	946 45	234 97		1 044.26	1 051 92	3,574 32
Transfers from general fund (U S share)		1 177 000 00					
Civil service retirement fund							
Deductions from employees salaries etc	16,224,222.06	19 466 760.48	18,836,962.65	20 137 225.97	18 647 091 35	20 136 313 62	19 859 399.86
District of Columbia share		1 530,000 00					
Interest and profits on investments	16,393 44	24,918.03	65 792 35	202 841.53	32,131 15	156 857 92	46 120 22
Transfers from general fund (U S share)		244,000 000.00					
District of Columbia							
Revenues from taxes etc	3 173,758 24	2,248 422.18	12 780 701.03	16,635 413.78	3 669,148.80	3 569 782.37	3 357 099 09
Transfers from general fund (U S share)		12,000 000.00					

Receipts	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Federal old-age and survivors insurance trust fund							
Appropriations [1]	$277,661,507 17	$30 414,568.81	$74 324 052.60	$376 000 437 55	$16 590 157 29	$1 616 162,043 92	$1 459,491 921 30
Interest on investments	-	10 005 745 48	527,151.64		97 996 612 08	190 562,313 81	163 465 576 10
Transfers from general fund						700 000.00	375 000 00
F E C trust fund (transfer from general fund) [2]					3 000 000 000 00	3 000 000 000.00	
National service life insurance fund							
Interest on investments					199 211 615 54	199 211 615 54	170 873 180 16
Premiums and other receipts	28 184,948 77	32 384,116 52	29,840 408.16	23 780 463 01	30 482,187 19	387 513,695 71	516,595,049 25
Transfers from general fund	10 637 321 21	17 423 041 26	11 404,775.09	683 019 65	2,948 687 62	152,955,378 01	816 662,407 08
Railroad retirement account							
Interest on investments	364 426.23	408 032.78	457 868.85	501 475 41	35 952,131 12	38 875 491 78	24,187 274.00
Transfers from general fund			59 000 000 00		73 416 000 00	758 488 498.50	298 463 000 00
Unemployment trust fund							
Deposits by States	154 038 516 63	13 973 012 51	38,706,881 78	199 435 629 79	11 982,548 29	1 007 346 050 50	1 005 273 426 62
Interest on investments		4 046 021 26	279 120 88		79 715 018 80	165 279 217 54	146,887 809 16
Railroad unemployment insurance account							
Deposits by Railroad Retirement Board	1 090 516 07	32 760 671.18	68 357 30	1 160 119 28	31 859 222.23	130 633 530 02	127 575 945 89
Transfers from States (act June 25, 1938)						-	445 855 51
Transfers from railroad unemployment insurance administration fund (act Oct 10 1940)				-		9 650 100 00	9 214,985 00
Other trust accounts							
Adjusted service certificate fund							
Interest on loans and investments	948 22	6.60	160 30		1 144 73	407 512.86	504 245 06
Transfers from general fund						• 6 000 000 00	-
Alaska Railroad retirement fund							
Deductions from employees salaries, etc.	60 00	57 320 01	32,038 74	33 215 21	247 34	323 957 58	316 325 31
Interest on investments					115 344 37	115,483 71	101 482 52
Transfers from general fund (U S share)	-					217 000 00	217,000.00
Canal Zone retirement fund							
Deductions from employees salaries, etc.	86,734.38	116 178 03	90 325 07	106 149 63	84,696 57	1,216 477 15	1 084 198.87
Interest on investments		1 896 72	4 043 72	901 64	503 947 87	518 051 71	482,446.69
Transfers from general fund (U S share)				-		1 177 000 00	1 177 000 00
Civil service retirement fund							
Deductions from employees salaries etc	18 492,671 43	18,804,890 96	19 133 756 43	19 859,077 46	24 522,050 84	234,120 423.11	257 360 682.68
District of Columbia share						1 530 000 00	1 193 000 00
Interest and profits on investments			333 667 21	144 262.29	106,089 661.34	107,112,645 48	94,394,089 36
Transfers from general fund (U S share)						244 000 000 00	220 100 000 00
District of Columbia							
Revenues from taxes, etc	2,676 805 37	15 702 326.97	14 320 921 66	5 306,726 63	3 484,431 30	86,975 537 42	71,705 202.01
Transfers from general fund (U S share)	-					12 000 000 00	8 000,000 00

Footnotes at end of table

TABLE 4.—*Trust accounts, etc., monthly receipts and expenditures, in detail, for fiscal year 1948 and totals for 1947 and 1948*—Continued

Receipts and expenditures	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
RECEIPTS							
Other trust accounts—Continued							
Foreign service retirement fund							
Deductions from employees salaries etc.	$31,663.44	$37,716.21	$51,299.74	$50,320.87	$17,605.62	$45,696.29	$52,542.35
Interest on investments	125.68	186.89	469.95	455.19	642.62	1,625.68	807.10
Transfers from general fund (U S share)	2,085,000.00						
Government life insurance fund							
Interest and profits on investments			8,797.81			24,241.80	18,073.77
Premiums and other receipts	4,858,512.58	3,195,503.89	3,835,066.22	4,257,908.69	3,070,708.41	3,522,117.09	4,289,344.77
Indian tribal funds	810,401.52	712,212.38	868,521.53	1,070,618.11	990,157.29	1,320,035.63	1,096,128.65
Insular possessions	34.65	680.85	4,463.82	526.68	a 4,068.00	a 2,590.95	493.66
Other	60,769,544.34	77,603,634.27	84,778,689.06	87,728,462.60	89,407,052.68	66,765,673.73	237,336,633.37
Increment resulting from reduction in the weight of the gold dollar	8,038.04	2,324.23	5,524.06	4,936.02	6,899.58	7,065.80	5,919.94
Seigniorage [3]							
Unclassified	a 1,142,311.74	a 17,410,420.21	18,651,218.75	a 1,155,571.51	1,585,745.19	344,927.58	a 2,328,609.09
Total receipts [4]	785,955,976.12	973,647,301.33	245,808,740.79	331,342,513.95	684,597,103.51	232,523,273.06	566,694,460.69
EXPENDITURES							
Federal old-age and survivors insurance trust fund							
Administrative expenses							
Salaries and expenses, Bureau of Old Age and Survivors Insurance	2,847,586.71	2,355,278.37	2,543,645.27	3,395,206.35	2,417,284.78	3,226,172.35	2,629,652.50
Reimbursements to general fund [5]	1,006,161.94	1,006,161.94	1,006,161.94	1,074,337.55	1,074,337.55	1,074,337.55	1,084,551.68
Benefit payments	39,313,623.52	39,206,358.56	39,873,832.43	41,661,557.19	40,933,069.51	41,859,950.88	37,751,566.27
Investments	b 42,000,000.00		300,000,000.00		b 134,043,277.09	b 134,103,221.12	
National service life insurance fund							
Benefits, refunds, etc	25,462,417.22	25,352,175.13	21,958,685.41	26,651,007.44	21,575,402.94	27,859,740.27	25,160,587.61
Investments	46,000,000.00	40,000,000.00	25,000,000.00	25,000,000.00	15,000,000.00	30,000,000.00	20,000,000.00
Railroad retirement account							
Benefit payments	16,993,629.71	17,514,081.31	17,593,534.13	18,396,778.27	18,642,928.27	19,095,215.97	18,736,557.25
Investments	494,500,000.00	b 17,000,000.00	b 18,000,000.00	38,500,000.00	b 19,000,000.00	b 19,500,000.00	38,000,000.00
Unemployment trust fund							
Investments	b 55,000,000.00	167,000,000.00	b 10,000,000.00	b 15,000,000.00	b 159,325,701.92	4,161,386.48	30,000,000.00
Railroad unemployment insurance account	2,480,804.15	3,669,600.98	4,795,316.46	5,685,209.34	4,341,022.44	5,600,004.24	5,898,307.89
State accounts.							
Withdrawals by States	91,897,000.00	71,187,000.00	59,598,000.00	53,708,000.00	40,966,000.00	45,248,000.00	59,653,000.00
Transfers to railroad unemployment insurance account (act June 25 1938)							

Receipts and expenditures	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
RECEIPTS							
Other trust accounts—Continued							
Foreign service retirement fund							
Deductions from employees' salaries etc	$51,582.41	$289 327 05	$72,538 52	$57 101 67	$40 369 05	$797 763.22	$313 255 22
Interest on investments	770 49	-	-		454,959 92	460 043 52	376 706.22
Transfers from general fund (U S share)	-	-	-	-	-	2,085 000 00	1 051,000 00
Government life insurance fund							
Interest and profits on investments	-	23,428.96	28,306 01	29 644.81	43 659 726.78	43 792,219 94	80 184,402.46
Premiums and other receipts	3,584,761.75	3 980,127 21	3 223 024.91	3 244,315 87	5,842,940 42	46,704,331 81	53 844,068.02
Indian tribal funds	1 035 257 74	2,043,305.99	859 302.55	1 130 684 14	1 269 610 90	13 206,236.43	10 138,944.31
Insular possessions	626 95	399.68	475.70	393.96	503 98	1 940 98	139 731 64
Other	84,506 360 90	94,059 501.95	80 509 295.17	44 385,293 16	59 313,253 35	1 067 213 394.58	700 196,494.80
Increment resulting from reduction in the weight of the gold dollar	4,479 15	5,403 80	6,617 32	5,792.00	7 726 89	70 726.83	80 296 11
Seigniorage [3]	-	-	-	-	82 626 26	82,626.26	-
Unclassified	[a] 348,840 18	381 666.85	1 941 548.88	1,949 225.28	[a] 2,749 717 05	[a] 276 227 25	1 555,278 75
Total receipts [4]	582,074,453.69	276,880 990 58	335,164,638 49	677 863 928 44	3,822 676,700 02	9 515,230,080 67	6,244 027,279.10
EXPENDITURES							
Federal old-age and survivors insurance trust fund							
Administrative expenses							
Salaries and expenses, Bureau of Old Age and Survivors Insurance	2,647 627 08	3 312,146 96	2 733 055.69	2,892 060 37	[7] 3 439 057 48	34,438,773.91	25 165,987 79
Reimbursements to general fund [5]	1 084,551 68	1 084,551 67	1 174 514.94	1 174,514.94	1 174,514.95	13,018,698.33	15 621 788.55
Benefit payments	47 417,745.35	45,464 468.06	46,067 891 01	45,977 815 36	46,147 796 19	511,675,674.33	425 582,346.28
Investments	[6] 156 644,515.20	[6] 104,739 689 65	[5] [6] 23,898,561 68		[8] 430 812,965.44	1,194,445,006 82	1 193 600 000 00
National service life insurance fund							
Benefits refunds, etc.	22,884,846.12	29,343,146.88	25,610,122.08	24,219 248.99	25,871,727 36	301 949 107 45	281,513 936.88
Investments	15,000,000 00	25 000,000 00	15 000,000 00	5,000 000 00	200,000,000.00	461 000,000.00	1,234,000,000 00
Railroad retirement account							
Benefit payments	18,804,644.40	18,747 369 06	19 165 639 12	19 348,355 96	19 267 674.92	222,306,408 37	173,277 391 96
Investments	[5] 19 500,000.00	[5] 19 000,000.00	40 000 000 00	[5] 19 000 000 00	89 000,000 00	569 000,000 00	148,500,000.00
Unemployment trust fund							
Investments	93,000 000 00	[5] [6] 35,062,769 96	[5] 50,000,000 00	125,000,000.00	[8] 32,974,304.50	446,398,622.94	443,000 000.00
Railroad unemployment insurance account	5,395,234.81	6,555,436 71	5,969 151 90	5 736 863 51	4,646,043.78	60,792,996.21	51 656,583 52
State accounts							
Withdrawals by States	58,918,000 00	76,427,000 00	75 254 000 00	66 442,000 00	98 833,681.31	798,131 681 31	817 355,853 71
Transfers to railroad unemployment insurance account (act June 25 1938)	-	-	-	-	-	-	461 478.51

Footnotes at end of table

TABLE 4.—*Trust accounts, etc., monthly receipts and expenditures, in detail, for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures	Fiscal year 1948: July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Other trust accounts							
Adjusted service certificate fund							
Investments	-	[b]$6,150 000 00				[b]$100 000 00	-
Other	$86,762 42	64,220 37	$65,574 11	$82,388 44	$57 231 94	74,397 00	$69,843 42
Alaska Railroad retirement fund							
Annuities and refunds	43,541 96	17 237 86	24,418 59	28,191 91	15,717 06	14,632.65	14 058.07
Investments	[b]65 000.00	217 000 00			60 000 00		
Canal Zone retirement fund							
Annuities and refunds	157 509 44	183,679 43	150,582 13	175 516 89	164,710 96	161 457 14	166 684.33
Investments	[b]150 000 00	1 022,000 00	[b]7 000 00	25 000 00	[b]65,000 00	[b]60 000 00	[b]155 000 00
Civil service retirement fund							
Annuities and refunds	23,852 274.84	19 551 989 14	25 622,353 96	23,783 921 80	22,426,304.86	21 656 531 77	17 884,955 31
Investments	[b]1 900 000 00	245,660,000 00	229 000 00	[b]11 354 000 00	2,408 000 00	[b]4 260 000 00	2 450 000 00
District of Columbia	5 183,463.26	8,176 377 65	9 233 674.54	8,919 377 75	8,343 826.19	7 692 906.22	8 863 012.65
Foreign service retirement fund							
Annuities and refunds	61 873.05	64 287 14	88 407 09	74 731 19	88,416 56	67 295.32	73,558.31
Investments	2,035 000.00	[b]23 000.00	[b]50 000.00	[b]28 000 00	[b]40 000 00	[b]75,000 00	[b]26 000 00
Government life insurance fund							
Benefits refunds etc	18,752,969 44	5 693 633 14	4,442,391 65	4 236 337 46	3 820,241 69	4 878,405 90	4,449 834.41
Investments			[b]1 000,000.00	-	-	[b]1 500,000 00	[b]1 000 000 00
Indian tribal funds	422,534.29	470 871 12	1 543 622.25	383 968 32	657 209 12	1 694,135 52	366 659.47
Other	34,458,848.86	9 510 160.07	8,790 128.26	11,933 712 24	17 249 680 51	391 133,215 86	28,439 623.71
Chargeable against increment on gold—melting losses etc	-		-	577 09			
Unclassified	30,866 01	118 063 24	349 335.85	[e]143,629 77	203,262.59	649 062.48	657 012.87
Special deposits (net)							
District of Columbia	[e]185 858.47	248,422.91	173,695 87	21 950 19	88 397 33	220 272 32	78,480 07
Government corporations (partially owned)	5,709 343 19	9 572,357 78	111 367 798 37	24 110 358.01	20 167 865.72	19 916,250.90	41 858,275 86
Indian tribal funds	992,079.31	242,576 75	1 143 422 83	1 292 437 35	1 340 346.64	42 437 97	237 251 32
Other	54,522 612.45	[e]33 585,446 50	29,821 826 59	4,219 291 49	[e]34,393 420 27	[e]11 683,787 14	26 665 552 30
Unclassified	1 083,361.81	118 56			143 514.60	155,910 35	12,395 75
Subtotal	757 113,486 71	591 964,362 92	633,724 170 33	264,205 451 42	418 632,470 10	723 094,332 42	368,549 435 16
Sales and redemptions of obligations of Government corporations etc. in the market (net)							
Guaranteed by the United States							
Commodity Credit Corporation	5 281 908.58	930 484.64	2,962 767 32	[e]8 966 865 89	5 727 048.08	7 545 361 41	632,161 48
Federal Farm Mortgage Corporation	74,709 00	38 800.00	63 600.00	43,800 00	51 300.00	34 600.00	60,400.00
Federal Housing Administration	4,081 250 00	142,350 00	9 000.00	1 328,950 00		[e]3 850 00	4 978,000 00
Home Owners Loan Corporation	111 050.00	79 800.00	87 550.00	69 825 00	85,800 00	88 100.00	52,075 00
Reconstruction Finance Corporation	-	-	-		--	-	3,000 00

Expenditures	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Other trust accounts							
Adjusted service certificate fund							
Investments	[b] $150 000.00				[b] $50 000 00	[b] $6 450 000 00	[b] $250 000 00
Other	83 953.55	$94,105.42	$90 862.53	$71 267 84	77 440.82	918,047 86	1 097 926.25
Alaska Railroad retirement fund							
Annuities and refunds	19,072.64	14,577 32	14,997 72	16,315.02	58 359 63	281 120 43	328,632.07
Investments	- - -	50,000 00		50 000.00	78 000 00	390 000 00	320 000.00
Canal Zone retirement fund							
Annuities and refunds	167 002.01	146 523.95	182,795.80	168,306.95	159,287 73	1 984 056.76	2,042,735.76
Investments	13,000 00	[b] 65 000 00	[b] 125 000 00	[b] 25 000 00	462,000.00	870 000 00	932,000.00
Civil service retirement fund							
Annuities and refunds	16,253 128.39	15 388,954 46	17 305,591 55	17 742,208.00	19 871 279.17	241 339 493 25	320,138 126.77
Investments	13,358,000.00	4 360 000.00	[b] 6 430,000 00	5 403 000 00	109 449 000 00	359 373 000 00	280 204 000 00
District of Columbia	7 088,910.53	7 685,561 25	9 978,494 42	7 053 863.68	8 375 293 68	96 594 761 82	85,337 457 68
Foreign service retirement fund							
Annuities and refunds	75,464.58	69 550 72	72,679.51	74 006.69	78,563.59	888,833 75	769 172.37
Investments	[b] 30,000.00	15 000.00	32,000.00	122,000.00	517 000.00	2 449,000.00	960 000 00
Government life insurance fund							
Benefits refunds etc	3,899 996.87	4,617 015 94	4,802 223 89	4 599 171 81	5,614,289 31	69 806,511 51	67 484,418.85
Investments	- -	[b] 1 000 000 00	[b] 1 000,000 00	[b] 1 000 000 00	39 000 000.00	32,500 000 00	60 393,650 41
Indian tribal funds	288,739.78	2,019 802.90	610 209 78	1 386 542 11	897 736 54	10 740 121.20	9 977 258.18
Other	[9] 314,254,684.30	[9] 93 131 245.04	[9] 60,283,560.07	7 011 207 11	[9] 140 287 993 36	1 125,484 059 39	976 804 118.90
Chargeable against increment on gold—melting losses etc					-	577 09	847 66
Unclassified	158,409.68	13,027 13	6 136.12	400 86	2,160.10	4,176.72	6 216 14
Special deposits (net)							
District of Columbia	[c] 6,078 34	142,854 25	224 92	[c] 50 562.16	156 538 94	54,377 07	202,412.73
Government corporations (partially owned)	37 949 723 00	4,000 975.60	[c] 54 646 471 17	[c] 3,965 111 97	25,205,581 47	162 345 862.17	7 532,168 94
Indian tribal funds	254,005.18	52,900 90	320,219 13	331 493 71	[c] 411 154.11	1 820 198.45	2,528,104.35
Other	29 416,325.09	16 823 955 46	1 150,981 04	20 093,379 89	[10] 234 590,554.70	204,974 504.42	362,735,488 85
Unclassified					1 00	1 083 479 37	1 083 480 37
Subtotal	766 556,851 72	362,104 662.69	130 745 218.37	295 686,589 09	1 545 583 369.66	6 916,960 400.59	6,987 791,797 28
Sales and redemptions of obligations of Government corporations, etc in the market (net)							
Guaranteed by the United States							
Commodity Credit Corporation	2,072,665 26	508,605 38	2 546,096.34	343 051 77	579,056.96	3 298,591 69	379 144 599 14
Federal Farm Mortgage Corporation	72,200 00	103,100 00	34,500 00	34,100.00	76,100 00	687 200 00	1 289 400 00
Federal Housing Administration	[illegible]1,600.00	-	76,450 00	385,250 00	399 350 00	11 145 650.00	4,315 100 00
Home Owners Loan Corporation	55 825 00	75,350 00	78 800.00	[d] 59,850 00	80,900 00	924,925.00	2,110,575 00
Reconstruction Finance Corporation			-		- -	3 000.00	5,000 00

Footnotes at end of table

TABLE 4.—*Trust accounts, etc., monthly receipts and expenditures, in detail, for fiscal year 1948 and totals for 1947 and 1948*—Continued

Expenditures	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Sales and redemptions of obligations of Government corporations, etc. in the market (net)—Continued							
Not guaranteed by the United States.							
Federal home loan banks	-	-	[e] $85,000,000.00		-	$36,700,000.00	$69,500,000.00
Federal land banks	$2,476,900.00	$1,801,100.00	8,053,900.00	$5,280,000.00	$6,739,400.00	6,033,600.00	3,828,800.00
Home Owners Loan Corporation	6,525.00	300.00	-	600.00	75.00	100.00	25.00
Subtotal	12,031,333.58	2,708,134.64	73,841,182.68	2,243,690.89	1,149,526.92	23,002,088.59	61,209,861.48
Total expenditures [4]	769,144,820.29	594,672,497.56	559,882,987.65	261,961,760.53	419,781,997.02	700,092,243.83	307,339,573.68
Excess of receipts	16,811,155.83	378,974,803.77		69,380,753.42	264,815,106.49		259,354,887.01
Excess of expenditures	-	-	314,074,246.86	-		467,568,970.77	-
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks [11]							
Excess of receipts				213,921,229.55		-	222,175,575.72
Excess of expenditures	145,556,370.97	172,963,056.62	120,966,090.59		126,556,614.84	79,928,830.27	-

Expenditures	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Sales and redemptions of obligations of Government corporations, etc, in the market (net)—Continued							
Not guaranteed by the United States							
Federal home loan banks	$9,200,000.00		$53,940 000.00	$370,000 00	$39,975 000.00	$167 665,000.00	$73,000,000.00
Federal land banks	2,549,200.00	$537 400.00	2,759,100 00	2,949 800.00	1,150 000.00	44,209,200.00	44,886,400.00
Home Owners' Loan Corporation	200 00	75.00		1 725.00	150 00	8,775.00	9,350.00
Subtotal	9 856 369.74	1,274,530.38	59 434,946.34	4,143 776.77	37 689,443 04	107 387 658 31	358,760 424.14
Total expenditures [4]	776,413,211.46	363,379 193.07	249,180 164.71	209 830 365 86	1,507 893 926.62	6 809 572,742 28	7 346,552,221.42
Excess of receipts			85 984,473.78	378,033,582.58	2,314 782 773 40	2,705,657 338.39	
Excess of expenditures	194,338,757 77	86,498,202.49					1,102,524,942.32
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks [11]							
Excess of receipts			225 579,322.85				554,706 980.68
Excess of expenditures	100 732,976.76	52,658 411.18		143,505 965.37	225,913 850.33	507 106,038.81	

[a] Counter-entry receipts (deduct)
[b] Excess of redemptions (deduct)
Excess of credits (deduct)
[1] Represents appropriations equal to "Social security—employment taxes collected and deposited as provided under sec 201 (a) of Social Security Act Amendments of 1939 See also footnote 3 table 5.
[2] Section 114 (f) of Economic Cooperation Act of 1948 approved April 3 1948 required that the sum of $3,000 000 000 be transferred to a trust fund entitled Foreign Economic Cooperation Trust Fund and considered as expended during the fiscal year 1948 for the purpose of reporting governmental expenditures The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949 with consequent effect on the surplus or deficit of those years
[3] This item of seigniorage represents difference between cost value and monetary value of silver bullion revalued and held to secure silver certificates issued on account of silver acquired under Silver Purchase Act of 1934
[4] See footnote 1 table 6
[5] Represents reimbursement for certain administrative expenses which are not paid directly from trust fund but are met out of general fund appropriations
[6] Includes accrued interest purchased on investments
[7] Includes $365 000 transferred to Federal Security Agency to cover penalty mail costs
[8] Includes repayments on account of interest on bonds at time of purchase
[9] See footnote 2 table 3
[10] See footnote 6 table 3
[11] This clearing account for outstanding checks and telegraphic reports is used to enable the Treasurer to charge budget expenditures immediately upon receipt of advices concerning the issuance of checks by various disbursing officers of Treasury Department, and also to enable the Treasurer to reflect transactions in his cash assets on basis of telegraphic reports received from Federal Reserve Banks When Bank transcripts are received the items concerned are cleared from this account

TABLE 5.—*Budget receipts and expenditures,*[1] *by major classifications, fiscal years 1940–48*

[In millions of dollars On basis of daily Treasury statements see p 393]

Classification	1940	1941	1942	1943	1944	1945	1946	1947	1948
RECEIPTS									
Internal revenue									
Income and profits taxes									
Withheld by employers					8,393	10 289	9,392	10 013	11 436
Other	2 125	3,470	7 960	16,004	26 262	24 884	21,493	19 292	19 735
Subtotal	2 125	3 470	7 960	16 094	34 655	35 173	30,885	29 306	31 171
Employment taxes									
Old age insurance	604	691	896	1 130	1 292	1 310	1,238	1,459	1 616
Unemployment insurance	108	98	120	158	180	185	180	185	208
Railroad retirement	121	137	170	209	267	285	283	380	557
Subtotal	833	925	1 186	1 498	1 739	1 780	1,701	2 024	2 381
Miscellaneous internal revenue	2 345	2 967	3 847	4 553	5,291	6 949	7 725	8 049	8 301
Total internal revenue	5 303	7 362	12 993	22 144	41 685	43 902	40,310	39 379	41 853
Railroad unemployment insurance contributions	5	7	8	10	12	18	13	14	15
Customs	349	392	389	324	431	355	435	494	422
Other									
Renegotiation of war contracts[2]				558	2,235	2 041	1,063	279	162
Surplus property						101	501	2,886	1 929
Other[3]	280	535	304	375	1 078	1 355	1 953	1 666	1,981
Total budget receipts[3]	5,937	8 295	13 695	23 412	45,441	47,766	44,276	44,718	46,362
Less appropriations to Federal old age and survivors insurance trust fund[3]	550	688	896	1 130	1 292	1 310	1 238	1 459	1 616
Net receipts	5 387	7 607	12 799	22 282	44 149	46 457	43 038	43 259	44,746
EXPENDITURES									
National defense and related activities									
Department of the Army[12]	667	3 678	14 070	42 265	49 242	50 337	27 800	7,425	6,207
Department of the Navy	891	2 313	8 580	20 888	26 538	30 047	15,161	4 998	4,171
Payments under Armed Forces Leave Act								1,986	270
U S Maritime Commission[4]	99	51	929	2,776	3,812	3 227	694	271	277
United Nations Relief and Rehabilitation Administration						114	664	1,501	268
Surplus property disposal agencies							106	442	325
R F C and affiliates[4]		354	2 255	3 159	2 682	472	328	138	(6)
Other[5]		259	2 432	6,180	7 447	6 305	4 117	519	8
Subtotal	1 657	6 655	28 266	75 297	89 720	90 501	48 870	17 279	11 524
International finance and aid									
Bretton Woods Agreements Act							159	1,426	
Export-Import Bank of Washington							568	938	465
Credit to United Kingdom								2,050	1,700
Greek Turkish assistance									161
Relief to war devastated countries									277
Government and relief in occupied countries									721
Economic Cooperation Administration									184
Interim aid (act of 1947)									498
Other foreign aid									28
Subtotal							727	4 415	3 983
Interest on the public debt	1,041	1,111	1,260	1,808	2 609	3,617	4,722	4 958	5,211
Veterans' Administration	557	563	556	602	730	2,060	4 253	7,259	6,469
Refunds of taxes and duties	91	90	94	79	267	1,715	3 034	3,050	2,326

Footnotes at end of table

TABLE 5.—*Budget receipts and expenditures,*[1] *by major classifications, fiscal years 1940–48*—Continued

[In millions of dollars]

Classification	1940	1941	1942	1943	1944	1945	1946	1947	1948
EXPENDITURES—Continued									
Other expenditures									
Aid to agriculture [7]	1,801	1,272	1,403	594	696	959	−203	1,229	812
Social security program [8]	510	585	656	732	798	807	845	1,066	1,619
Public works [9]	995	741	073	535	425	320	378	702	1,137
Housing and home finance	−17	3	−201	−354	−360	−207	−246	183	−68
Direct and work relief [10]	1,573	1,374	970	209	17	(*)			-
Miscellaneous [11]	1,098	1,974	612	109	670	705	1,340	2,365	8,312
Subtotal	5,950	5,349	4,113	1,915	2,246	2,505	2,108	5,545	6,812
Total budget expenditures (excluding transfer to F. E. C. trust fund)	9,305	13,766	34,289	79,702	95,572	100,397	63,714	42,505	36,326
Transfer to F. E. C. trust fund [12]	-							-	3,000
Total budget expenditures (including transfer to F. E. C. trust fund)	9,305	13,766	34,289	79,702	95,572	100,307	63,714	42,505	39,326
Budget surplus, or deficit (−), excluding transfer to F. E. C. trust fund	−3,918	−6,159	−21,490	−57,420	−51,423	−53,041	−20,676	754	8,419
Budget surplus, or deficit (−), including transfer to F. E. C. trust fund	−3,918	−6,159	−21,490	−57,420	−51,423	−53,941	−20,676	754	5,419

NOTE.—Figures are rounded and will not necessarily add to totals.

*Less than $500,000.

1 Expenditures exclude statutory debt retirements, and include net expenditures of Government corporations (wholly owned), etc., under appropriate classifications, instead of separately as in 1947 annual report.

2 Includes so-called voluntary returns.

3 Figures for 1940–47 have been revised in accordance with present classification of these items in daily Treasury statements. Reimbursements for those administrative expenses which are not paid directly from Federal old-age and survivors insurance trust fund (cost of collecting employment taxes, etc.) are now classified as trust fund expenditures rather than the former treatment as a deduction from trust fund receipts. Total budget receipts are increased by this revision since reimbursements for administrative expenditures are reflected in miscellaneous receipts. Net receipts are unaffected, however, since appropriation to Federal old-age and survivors insurance trust fund is now stated on a gross basis rather than net after reimbursement.

4 Effective September 1, 1946, expenditures of War Shipping Administration are included with expenditures of U. S. Maritime Commission.

5 Expenditures of Reconstruction Finance Corporation and affiliates for activities other than for national defense and related activities are included under "Other expenditures: Miscellaneous." National defense and related activities expenditures for 1948 are not segregated from other expenditures.

6 Beginning July 1, 1940, consists of expenditures for Office of Selective Service Records, beginning March 1948, expenditures for Office of Secretary of Defense are also included.

7 Comprises Department of Agriculture expenditures, except those for UNRRA, surplus property disposal, other national defense and related activities prior to July 1947, international finance and aid, and forest roads and trails included under "Public works", in this table.

8 Comprises budget expenditures under Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts. Refunds of taxes collected under provisions of these acts are included in "Refunds of taxes and duties" above.

9 Comprises expenditures of Federal Works Agency except those for surplus property disposal, other national defense and related activities prior to July 1947, and assistance to Greece and Turkey. Includes also forest roads and trails, rivers and harbors and flood control, reclamation projects, and Tennessee Valley Authority.

10 Comprises expenditures of Civil Works Administration, Work Projects Administration, National Youth Administration, and Civilian Conservation Corps.

11 Includes expenditures for executive departments not included elsewhere and for legislative and judicial functions, Government contributions to Federal employees retirement, Civil Aeronautics, Panama Canal, except war expenditures, Post Office deficiency; and other miscellaneous.

12 Section 114 (f) of Economic Cooperation Act of 1948, approved April 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949, with consequent effect on the surplus or deficit of those years.

13 Includes expenditures of Department of the Air Force for 1948.

TABLE 6 —*Trust accounts, etc, receipts and expenditures, by major classifications, fiscal years 1940–48*

[In millions of dollars On basis of daily Treasury statements see p 393]

Classification	1940	1941	1942	1943	1944	1945	1946	1947	1948
RECEIPTS									
Federal old-age and survivors insurance trust fund [1]	592	744	967	1,213	1 395	1 434	1 385	1 623	1 807
Railroad retirement account	123	127	144	221	278	324	312	323	797
Unemployment trust fund	959	1,114	1 244	1,390	1 567	1,508	1 280	1 289	1 818
National service life insurance fund		4	46	316	905	2,127	2,351	1 504	740
Government life insurance fund	93	91	92	90	94	97	103	134	90
Federal employees retirement funds [2]	154	175	222	374	501	557	614	578	594
Adjusted service certificate fund	1	10	1	1	1	10	1	1	−6
F E C trust fund [3]									3,000
Miscellaneous [4]	216	309	503	336	351	1 028	1 666	792	1 179
Total receipts [5]	2,138	2,565	3 218	3 954	5 085	7 086	7,712	6 244	9 515
EXPENDITURES									
Investments by principal accounts									
Federal old age and survivors insurance trust fund	561	642	821	1 035	1 172	1 137	1 002	1 194	1,194
Railroad retirement account	12	−5	18	86	140	182	156	148	569
Unemployment trust fund	443	563	866	1 228	1,503	1,437	102	443	446
National service life insurance fund		3	35	314	862	1 974	2,053	1 234	461
Government life insurance fund	18	30	47	61	60	73	47	60	32
Federal employees' retirement funds [2]	86	97	140	230	393	399	309	282	363
Adjusted service certificate fund	−8	8	−1	(*)	−1	−2	−2	(*)	−6
Subtotal investments	1 112	1,338	1 925	3 004	4 120	5 200	3 668	3 362	3 060
Other expenditures									
Federal old age and survivors insurance trust fund [1]	28	91	137	177	217	267	358	466	559
Railroad retirement account	113	121	126	130	134	141	152	173	222
Unemployment trust fund	514	555	377	176	61	71	1 146	869	859
National service life insurance fund		(*)	1	6	31	128	280	282	302
Government life insurance fund	78	68	45	30	34	25	50	67	70
Federal employees retirement funds [2]	60	74	78	35	103	151	267	323	244
Adjusted service certificate fund	9	3	2	1	2	11	4	1	1
Miscellaneous [6]	112	335	459	259	231	417	1,570	1,072	1,233
Special deposit accounts (net)	−53	30	−129	−271	−503	−1,669	647	872	357
Redemption, or sale (−), of securities of Government corporations, etc, in the market (net)	−288	−852	1,809	504	2,874	1 553	95	359	−107
Subtotal other expenditures [5]	533	419	2,905	1,287	3,178	1 094	4 568	3 985	3 750
Total expenditures [5]	1 595	1 757	4,830	4 292	7,307	6 294	8 236	7 347	6 810
Net receipts, or expenditures (−)	443	908	−1 613	−338	−2,222	791	−524	−1,103	2 706

NOTE —Figures are rounded and will not necessarily add to totals

*Less than $500,000

[1] Figures have been revised in accordance with classifications in daily Treasury statement beginning Dec 1, 1947 Reimbursements for those administrative expenses which are not paid directly from Federal old age and survivors insurance trust fund (cost of collecting employment taxes, etc) are now classified as trust fund expenditures rather than the former treatment as deductions from trust fund receipts

[2] Consists of Alaska Railroad, Canal Zone, civil service, and foreign service retirement funds

[3] Section 114 (f) of Economic Cooperation Act of 1948, approved April 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures " The effect of this is to charge the budget in the fiscal year 1948 for expenditures to be made in the fiscal year 1949, with consequent effect on the surplus or deficit of those years

[4] Comprises District of Columbia, Indian tribal funds, insular possessions, increment resulting from reduction in weight of gold dollar, seigniorage on silver, etc

[5] Revised, see footnote 1

[6] Comprises District of Columbia, Indian tribal funds expenditures chargeable against increment on gold etc

TABLE 7 —*Internal revenue collections, by tax sources, fiscal years 1929–48* [1]

[On basis of reports of collections see p 394]

Fiscal year	Income and profits taxes							Miscellaneous internal revenue taxes		
	Individual taxes			Corporation taxes			Total income and profits taxes	Capital stock	Estate	Gift
	Withheld by employers [2]	Other	Total individual taxes	Income [3]	Excess profits [4]	Total corporation taxes				
1929		$1,095,541,172	$1,095,541,172	$1,235,733,256		$1,235,733,256	$2,331,274,428	$5,956,296	$61,897,141	
1930		1,146,844,764	1,146,844,764	1,263,414,466		1,263,414,466	2,410,259,230	46,967	64,769,625	
1931		833,647,798	833,647,798	1,026,392,699		1,026,392,699	1,860,040,497		48,078,327	
1932		427,190,582	427,190,582	629,566,115		629,566,115	1,056,756,697		47,422,313	
1933		352,573,620	352,573,620	394,217,784		394,217,784	746,791,404		29,693,062	$4,616,662
1934		419,509,488	419,509,488	397,515,852	$2,630,615	400,146,467	819,655,955	80,168,344	103,985,288	9,153,076
1935		527,112,506	527,112,506	572,115,002	6,560,483	578,675,485	1,105,787,991	91,508,121	140,440,682	71,671,277
1936		674,416,074	674,416,074	738,520,530	14,509,290	753,029,820	1,427,445,894	94,942,752	218,780,754	160,058,761
1937		1,091,740,746	1,091,740,746	1,056,909,063	31,177,959	1,088,087,022	2,179,827,768	137,499,246	281,635,983	23,911,783
1938		1,286,311,882	1,286,311,882	1,299,932,072	42,785,778	1,342,717,850	2,629,029,732	139,348,567	382,175,326	34,608,739
1939		1,028,833,796	1,028,833,796	1,122,540,801	33,739,708	1,156,280,509	2,185,114,305	127,203,009	332,279,613	28,435,597
1940		982,017,376	982,017,376	1,120,581,551	27,010,380	1,147,591,931	2,129,609,307	132,738,537	330,886,049	29,185,118
1941		1,417,655,127	1,417,655,127	1,851,987,990	201,480,814	2,053,468,804	3,471,123,930	166,652,640	355,194,033	51,863,714
1942		3,262,800,390	3,262,800,390	3,069,273,346	1,674,809,808	4,744,083,154	8,006,883,544	281,900,135	340,322,905	92,217,383
1943	$686,015,010	5,943,916,979	6,629,931,989	4,520,851,710	5,148,104,393	9,668,956,103	16,298,888,092	328,794,971	414,530,599	32,965,079
1944	7,823,434,977	10,437,570,434	18,261,005,411	5,284,145,852	9,482,650,625	14,766,796,477	33,027,801,888	380,702,006	473,465,605	37,744,732
1945	10,264,219,340	8,770,094,034	19,034,313,374	4,879,716,381	11,147,497,445	16,027,212,826	35,061,526,200	371,999,132	596,137,494	46,917,583
1946	9,857,588,861	8,846,947,304	18,704,536,165	4,639,949,184	7,913,652,803	12,553,601,987	31,258,138,152	352,120,833	629,600,697	47,231,605
1947	9,842,282,260	9,501,015,016	19,343,297,276	6,055,095,929	3,621,660,840	9,676,756,769	29,020,054,044	1,597,470	708,793,812	70,497,262
1948	11,533,576,972	9,464,203,727	20,997,780,699	9,851,499,536	322,910,297	10,174,409,833	31,172,190,533	1,722,833	822,380,121	76,965,322

Footnotes at end of table.

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1929–48* [1]—Continued

Fiscal year	Miscellaneous internal revenue taxes—Continued								
	Liquor taxes					Tobacco taxes			
	Distilled spirits	Fermented malt liquors	Wines	Other including special taxes	Total liquor taxes	Cigarettes	Cigars	Other	Total tobacco taxes, etc.
1929	$11,589,733		$292,550	$894,445	$12,776,728	$342,034,060	$22,871,826	$69,538,657	$434,444,543
1930	10,717,503		239,384	738,381	11,695,267	359,881,375	21,442,527	69,015,158	450,339,061
1931	9,578,739		228,495	624,830	10,432,064	358,961,003	18,296,111	67,019,388	444,276,503
1932	7,906,945		186,563	610,455	8,703,963	317,564,740	14,434,188	66,579,690	398,578,619
1933	6,744,923	$33,090,231	208,627	3,130,536	43,174,317	328,439,681	11,478,726	62,820,652	402,739,059
1934	68,467,823	163,270,609	3,410,513	23,762,389	258,911,333	350,299,442	11,806,314	63,063,141	425,168,897
1935	165,539,373	211,213,026	6,779,816	27,393,326	410,925,541	385,074,197	11,836,598	61,865,139	458,776,934
1936	222,210,034	244,580,573	8,968,222	29,483,967	505,242,797	425,501,956	11,983,954	63,299,476	500,785,385
1937	273,635,470	277,455,024	5,990,573	36,750,285	593,831,354	476,043,475	13,063,230	62,815,875	551,922,580
1938	259,779,989	269,347,044	5,891,510	32,650,765	567,669,409	493,452,357	12,479,151	61,845,902	567,777,410
1939	283,400,773	259,696,155	6,395,313	38,112,705	587,604,946	504,050,127	12,544,045	63,189,902	579,784,074
1940	317,552,640	264,574,275	8,059,879	33,877,541	624,064,335	533,057,020	12,552,165	62,463,585	608,072,770
1941	428,461,894	316,736,853	11,423,437	63,246,793	819,868,976	616,756,350	13,150,875	57,805,097	697,712,322
1942	574,250,301	366,158,961	23,985,655	83,769,984	1,048,164,902	704,949,181	14,292,244	61,550,845	780,792,270
1943	781,706,757	455,634,421	33,663,337	152,475,877	1,423,480,391	835,260,344	23,172,395	65,424,545	923,857,284
1944	898,706,321	559,151,628	34,095,341	126,091,381	1,618,044,671	904,046,345	30,259,351	54,177,531	988,483,237
1945	1,484,303,450	638,682,102	47,390,797	139,487,261	2,309,863,610	836,752,916	36,677,670	58,714,236	932,144,822
1946	1,746,577,154	650,824,037	60,843,953	67,916,642	2,526,161,786	1,072,971,114	41,454,203	51,093,966	1,165,519,283
1947	1,685,361,920	661,417,516	57,196,410	70,779,998	2,474,755,844	1,145,267,906	48,354,216	44,146,178	1,237,768,300
1948	1,436,226,412	697,097,258	60,961,809	61,034,771	2,255,320,250	1,208,203,607	46,751,503	45,325,043	1,300,280,153

Fiscal year	Miscellaneous internal revenue taxes—Continued									
	Stamp taxes				Manufacturers excise taxes [6]					
	Bonds issues of capital stock deeds of conveyance etc [5]	Transfers of capital stock and similar interest sales	All other	Total stamp taxes	Gasoline	Lubricating oils	Passenger automobiles and motorcycles	Automobile trucks	Parts and accessories for automobiles	Tires and tubes
1929	$17 868 372	$37 595 928	$8 709 231	$64 173 531						
1930	22,611 275	46 698,227	8 419 168	77 728 670						
1931	14 757 383	25 519 973	6 676,240	46,953 596						
1932	9 198 539	17 696 130	5 346,151	32 240 820						
1933	16 034,755	33 188,495	8,114 952	57 338,202	$124 929 412	$16,232 925	$12,573 922	$1 654 040	$3 597 276	$14 980 085
1934	16 259 305	38 065 999	12,254 784	66,580 038	202,075 034	25 254 987	32 526,752	5 048,436	5 695 712	27 630 145
1935	17 934 777	15,747 363	9,451 233	43 133 373	161 532,292	27 800 249	38 003 335	6,108,070	6,455 854	26 637 796
1936	28 162 658	33 054 798	7 772,428	68,989 884	177 339 587	27 102,832	48 200 855	7 000 281	7 110 188	32 207,983
1937	28 651 710	31 350 597	9 917 028	69 919 335	196 532 814	31 463 002	65 264 954	9 030 872	10 085 780	40 819 180
1938	20 083 581	18 355 346	7 794 063	46,232,990	203,648,060	31 565 020	43 364 839	6,696 867	7 988 802	31 567 184
1939	19 366 430	17 064 488	4 651 921	41 082,839	207 018 745	30 496 637	42,722 787	6 007 662	7,935 464	34 819 208
1940	18,145 228	15 527 950	5 008 065	38 681,243	226 186,669	31,232,589	59,351 198	7 866 071	10,629 993	41 555 489
1941	22 072,503	12 176 497	4 807 951	39 056 951	343 021 269	38,220 844	81 402,519	10 746,619	13 083 555	51 054 262
1942	22 875 490	13 028 317	5 798,358	41 702 165	369 587 151	46 432,268	77 171 920	18 361 144	28 087 714	64 811 000
1943	21 765 732	15 584 591	7 804,963	45 155 286	288 785 826	43 318,313	1 424 230	4 229 690	20 478 408	18 345 387
1944	26,243 240	17 096,098	7 460,349	50 799 687	271 216 502	52 473 094	1 221 737	3 246 727	31 551 319	40 333 747
1945	33 157 135	24 852,469	7 517 911	65 527 515	405,563 011	92,865 058	2 558 202	20 847 485	49 439 743	75 257 203
1946	47 392 511	30 368 915	9 914,970	87 676,396	406,694 551	74 601 713	25 892 586	37 143 631	68 870 508	118,091 655
1947	49 105 883	21 963 073	8 909 012	79 977 968	433 675 868	82 014 669	204 679 518	62,098 896	99 932 341	174 927 405
1948	50,771 303	20 373 528	8 321 105	79 465 936	478,637 625	80 886 922	270 958 392	91 962 891	122,950 708	159 284 139

Footnotes at end of table

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1929–48* [1]—Continued

Fiscal year	Miscellaneous internal revenue taxes—Continued [3]									
	Manufacturers excise taxes [6]—Continued									
	Electrical energy	Refrigerators air conditioners, etc	Radio receiving sets phonographs phonograph records	Musical instruments	Jewelry	Furs	Toilet preparations	Luggage	All other	Total manufacturers excise taxes [7]
1929									$5 711 550	$5 711 550
1930									2,664 652	2 664 652
1931									137 921	137 921
1932									87 358	87 358
1933	$28,562,739	$2,111 869	$2,206,763		$3 068,494	$7 546,274	$9 602,539		16 534,029	243 600 368
1934	33 134 407	5 525 913	3 156 777		4 668,557	7 654 990	10 813 471		21 606 033	385 291 214
1935	32,577 256	6,663 677	3 624 904		2 010,123	2 675 731	12 843 517		15 361 881	342,144 686
1936	33,675 179	7 939 064	5 075 271		3 110 605	3 321 057	13,301,795		17,431,445	382 716 142
1937	35,974,552	9 912 574	6 754,272		727 700	5 919 688	18,319 181		19 776 760	450 581 330
1938	38 455,402	8,829 048	5 848,842		398 168	5 341,981	16 336 565		17 110 887	417 151 684
1939	39 859,174	6 957 679	4,834 366		83 848	368,054	11 531 412		4,339 816	396 974,852
1940	42,338 502	9,954,399	6 079 915		64,333	159,811	7 757 726		3,975 271	447 151 965
1941	47,021,016	13,278,910	6,935 182		18,709	63,699	6 683 533		5 842 483	617 372 601
1942	49 977,581	16 245 870	20,112,799	$2,325 321	37,957	45 978	3 551 982	$2 833 996	72 315 641	771,898,322
1943	48,705,139	5 965 909	7 377 115	1 280 124	3 841	37 215	437 670	5 681 526	58 676,040	504 746 433
1944	51 238,653	2,406 232	5 291,924	633,040	3 671	13 903	79 732	4 777 176	38,974 344	503 461,802
1945	57 003 656	1 637 264	6,768 870	927 224	9 717	5 062	20 049	6 312	69 601 783	782,510 640
1946	59,112 413	9,229 412	17,287,325	2,839 146	356	14,665	10 259	15 304	103 867,216	922,670 741
1947	63 014,069	37 352,387	72,347 836	10,151,338	33	13 853	2,952	48 563	185 134 982	1,425 394 709
1948	69 700 530	58,473,372	74 798 762	10 572 683	5,560	220	27	189	231 093 528	1,649 325,548

Fiscal year	Miscellaneous internal revenue taxes—Continued									
	Retailers excise taxes					Miscellaneous taxes				
									Admissions	
	Jewelry	Furs	Toilet preparations	Luggage handbags, wallets	Total retailers excise taxes	Telephone telegraph etc ncluding local service	Transportation of persons	Transportation of property	General admissions	Cabarets
1929									$5 418,978	$664 078
1930									3,518 916	711 752
1931									2,270 880	507 984
1932									1 459 873	398,733
1933						$14 584,756			14 770 943	749,569
1934						19 250 800			14 018 505	594 910
1935						19 741 434			14,425 596	953 799
1936						21 098 348			15 773 240	1 338,935
1937						24 569 627			18,184,839	1 555,353
1938						23 977 064			19 284,031	1 516 748
1939						24,093 719			18 028,597	1 442 206
1940						26 367 945			20 264 967	1 622 949
1941						27 331 114			68,619 784	2 343 310
1942	$41 500 949	$19 743 865	$18 922 311		$80 167 124	75 022,772	$21 378,895		107 632,726	7,399 543
1943	88 365 799	44 222,755	32,677 315		165 265 869	158 161 290	87 131 734	$82 556 148	138 053 893	16 398,829
1944	113 372,751	58 725 694	44,790 353	$8,343 466	225,232,264	231,474 253	153 682,608	215 487 852	178,562,694	26,726 331
1945	184,219 869	79 418 429	86,615,198	73 851 429	424 104,925	341 587 183	234,181 651	221 087 660	300 588,876	56 877 239
1946	223 341,986	91 706,171	95 574,485	81 423 426	492 046 069	380 081 796	226 749 801	220 121 450	343 190,968	72,076,898
1947	236,615 429	97 480 960	95 542,309	84 587,949	514,226 647	417 690 568	244,002 948	275 701 415	392,873,383	63,349 838
1948	217 899 249	79 539,152	91 852 013	80 632,324	469,922 738	468 776,069	246,323 048	317 203 134	385 100 699	53 527,145

Footnotes at end of table

TABLE 7 —*Internal revenue collections, by tax sources, fiscal years 1929–48* [1]—Continued

Fiscal year	Miscellaneous internal revenue taxes—Continued					Employment taxes			Agricultural adjustment taxes	Grand total
	Miscellaneous taxes—Continued				Total miscellaneous internal revenue	Social security	Railroad retirement	Total employment taxes		
	Club dues and initiation fees	Sugar	All other [8]	Total miscellaneous taxes [7]						
1929	$11 245,255		$5,491 847	$22,820 157	$607 779 947					$2,939 054,375
1930	12,521 092		5 890 501	22,642,281	629 886 503					3 040 145 733
1931	11 477 723		4 053 258	18,309 845	568 188,257					2 428,228 754
1932	9 204,587		2,876 079	13 939 272	500 972,345					1 557 729 042
1933	6,679 261		55,121 620	91,886 150	873 047 820					1 619 839,224
1934	5 986 150		112 051 799	151 902 164	1 481 160 354				$371 422,886	2,672,239 195
1935	5,784,495		50 276,012	91 181 339	1 649 780 953				510 746 416	3 266 315 360
1936	6 090 923		28 695 466	72 996,913	2 004,513 390		$48,279	$48,279	62 323 329	3 494,230 891
1937	6,287 768		28,835,867	79 433 454	2,188 735 065	$265 458,404	286 904	265 745 308		4 634,308 141
1938	6 550 931	$30 569,130	35,206 199	117 104 104	2,272,158,229	593,184,560	149 475,666	742 660 226		5 643 848,186
1939	6,216,900	65 414,058	28,260 257	143 455 736	2,236 820 666	631 002 237	109 426,628	740 428,865		5,162 363 836
1940	6 334,909	68 145 358	26 124,802	148,860 929	2 359 640 946	711 473 332	122,047 644	833 520,976		5,322,771 229
1941	6,582 649	74 834 722	27 120,515	206 832,094	2,954,553 333	787 985 273	137 871 188	925 856 460		7 351 533 723
1942	6 791 900	68 229 803	114,049 047	400 504,685	3 837 669 890	1 014,952,829	170 409 015	1 185 361 844		13 029 915 278
1943	6 519 891	53,551 777	189,963,467	732,335 030	4,571 130 941	1 287 553 791	211 151 243	1 498,705 034		22,368,724,066
1944	9 181 517	68 788,910	191,497 345	1 075 401,511	5,353 335,516	1 473 361,423	265 011 013	1 738 372,436		40 119 509 840
1945	14,159,650	73 293 966	188,652,098	1 430,428 324	6 959,634,043	1 494,419 835	284,757 578	1 779 177 412		43,800 337 656
1946	18 899,227	56 731,986	172,076 859	1 489 928,987	7 712,956 399	1 416,570,036	284,257 639	1 700 827 675		40 671 922,226
1947	23 298,761	59 151,922	74 772,920	1 550,841 754	8,063 853 765	1 644,809 711	379 555 104	2 024,364 816		39 108,272,625
1948	25,499 193	71 246 834	87 943 883	1 655,620 004	8 311 002,905	1 821 229 219	560 113 134	2,381,342,353		41 864,535,791

NOTE —Figures for 1935 and subsequent years exclude trust fund collections with the exception noted in footnote 3 Figures are rounded to nearest dollar and will not necessarily add to totals

[1] For figures for 1863–1915 see 1929 annual report p 419 and for 1916–28 see 1947 annual report p 310

[2] Includes collections from Victory tax

[3] Includes income tax on Alaska Railroad except for 1935 1936 and 1937 when these collections were credited to trust accounts

[4] Includes unjust enrichment tax through 1947 for 1948 included under ' Miscellaneous taxes All other'

[5] Originally schedule A act of Oct 22 1914 now includes also foreign insurance policies and passage tickets (the latter repealed Apr 1 1947)

[6] Includes taxes on sales under act of Oct 22 1914 manufacturers' consumers and dealers excise taxes under war revenue and subsequent acts and for 1932 and subsequent years, manufacturers excise taxes under act of 1932 as amended Soft drink taxes are included under Miscellaneous taxes All other

[7] Any differences between figures in this column and those published elsewhere on the same basis are due to different classifications of repealed taxes and other minor items

[8] Includes collections from sources other than the miscellaneous taxes shown, and also (a) certain delinquent taxes collected under repealed laws except automobile taxes for 1929 and 1930 which are included under *Manufacturers* excise taxes All other and capital stock taxes for 1929 and 1930 which are shown under Capital stock (b) internal revenue collected through customs offices for 1929–33 subsequently such collections are included with Distilled spirits (c) dividend and soft drink taxes (d) taxes paid by manufacturers of and dealers in adulterated and process or renovated butter mixed flour and filled cheese and (e) for 1948 unjust enrichment tax formerly included with excess profits taxes

The current tables on internal revenue collections by States and on expenses of the Internal Revenue Service, published heretofore in the Secretary's annual report, will be found in the Annual Report of the Commissioner of Internal Revenue

TABLE 8 —*Customs collections [1] and refunds, fiscal years 1947 and 1948*

[On basis of accounts of Bureau of Customs]

	1947	1948	Percentage increase or decrease (—)
Collections			
Duties			
Consumption entries	$304 260 165	$257 796 554	—15 3
Warehouse withdrawals	166 000 598	140 329 808	—15 5
Mail entries	1 766 851	2,007,008	18 [illegible]
Baggage entries	1 695 586	1 588,835	—6 3
Informal entries [2]	2 032 651	2 031 387	— 1
Appraisement entries	342 717	244 028	—28 8
Increased and additional duties	10 642,080	15 057 780	50 0
Withheld duties	5 500 017	112 873	—97 9
Other duties	726 514	730 950	1 8
Total duties	492,967 129	420 897 882	—14 6
Miscellaneous			
Fines and penalties	r 443 239	135 063	—1 8
Forfeitures (including sale of seizures)	508,484	461 685	—9 2
Liquidated damages	227 809	208 780	—8.3
Sale of Government property unclaimed and abandoned merchandise	48 830	13[illegible] 897	178 3
Tonnage tax and navigation fees	8 067 135	3 456 835	12 7
All other customs receipts	271 279	230,018	—15 2
Total miscellaneous	4 566 785	4 928 287	7 9
Total customs collections	497 533 914	425 825 969	—14 4
Refunds			
Excessive duties	6 081 925	8 665 743	42 5
Drawback payments	10 583,023	10 304 554	—2 6
Other	188 978	79 980	—57 7
Total refunds	16 853 926	19 050,283	13 0

NOTE —Additional customs statistics will be found in tables 83 through 94

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[1] Excludes customs duties of Puerto Rico which are deposited to the credit of the Government of Puerto Rico, but includes fines and other minor collections of Puerto Rico

[2] Entries of less than $100 in value

TABLE 9 —*Budget receipts and expenditures under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936–46, 1947, and 1948*

[On basis of daily Treasury statements see p 393]

Receipts	1936 through 1946	1947	1948	Grand total to date
Social security taxes				
Employment taxes [1]	$8,400,732 892.00	$1,459 401 921 30	$1 616,162 043 92	$11 476 386 857.31
Tax on employers of 8 or more [2] [3]	1 276,611 646 48	184 823 468.19	207 918,656.49	1 669 353,771 16
Total, social security taxes	9 677 344 538.57	1 644,315,389 49	1 824 080,700 41	13,145,740,628 47
Railroad Retirement Act				
Taxes upon carriers and their employees [1]	1 731 162 149 99	380 057,125.30	557,060 781 88	2,668,280 057 17
Railroad Unemployment Insurance Act				
Railroad unemployment insurance contributions [3] [4]	68 727 838 68	14 174 001 69	14 514 664 84	97,416,505 21
Total receipts	11,477,234 527 24	2 038,546,516 48	2 395 656 147 18	15 911,437 190 85
Deduct Appropriations and transfers to Federal old age and survivors insurance trust fund [5]	8 259 515,048 80	1 459 401 921 30	1 616 162 043 92	11 835 169,014 11
Net receipts	r 3 217 719 478 35	r 579 054 595 18	779 494 103 21	4 576 268 176 74

Footnotes at end of table.

TABLE 9.—*Budget receipts and expenditures under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936–46, 1947, and 1948*—Continued

Expenditures	1936 through 1946	1947	1948	Grand total to date
Administrative expenses				
Social Security Act				
Federal Security Agency				
Social Security Administration (title VII)[6 7 8]	$232,174,202 05	$12,425,472 23	$6 336 111 01	$250,935 787 09
Children's Bureau[9]	3,685,197 83	694 158 59	947 363 75	5,326,720 17
Department of Commerce (title VII)[7]	1,448,987 39	254,702 62	91,374 26	1 795 014 27
Treasury Department[10]	44 782 491 78	11 404 311 55	12,416,182 33	68,602,985 66
Total Social Security Act	282 090 820 95	24 808,644 99	19 791,032 25	326 750 507 19
Railroad Retirement Act[7]				
Railroad Retirement Board				
Acquisition of service and compensation data	8,769,478 00	2 50		8,769,475 50
Other	25 174,803 44	4 289 568 96	5,005,015 88	34,469 388 28
Railroad Unemployment Insurance Act				
Railroad Retirement Board				
Railroad unemployment insurance administration fund[3 11]	23,851 273 42	4,462,779 81	5,499 591 63	33 813 644 86
Total, administrative expenses	339 886,384 81	33,620,991 26	30 295,639 76	403,803 015 83
Grants to States				
Social Security Act				
Federal Security Agency				
Social Security Administration				
Old age assistance (title I)	2 694,668,065 31	515,706 838 52	573,058 306 02	3,783 433 209 85
Aid to dependent children (title IV)	487 250 507 10	118,404,255 11	141,661,178 94	742 316 028 15
Aid to the blind (title X)	76,451 272 12	14,939,564 80	16 921,999 50	108 312 836 51
Unemployment compensation administration (title III)[3]	[12] 483 680 152 93	59,819,632 70	66,632,819 70	610,132,605 39
Total	3,742 050 087 46	708,870,291 19	798,274 389 25	5 244,194 767 90
Children's Bureau functions[9]				
Maternal and child health services [title V (1)]	52 291,832 53	10 699 039 23	10,515,895 44	73 506,767 20
Services for crippled children [title V (2)]	35,279 653 62	7,496,343 61	7,392,399 61	50,168,396 84
Child welfare services [title V (3)]	14,306,208 18	2 016,302 65	3,396,785 66	19,719 296 49
Total	101,877,094 33	20 211,685 49	21,305,080 71	143,394 460 58
Total, Social Security Administration	3 843,927 781 79	724,081,976 68	819 579 469 96	5,387,589,228 43
Public Health Service				
Public health work (title VI, sec 601)[10]	91,132 109 75			91,132 109 75
Total, Federal Security Agency	3,935 059,891 54	724,081,976 68	819 579 469 96	5,478 721,338 18
Department of Labor				
U S Employment Service[14]	22,144,482 22	972 62	266 31	22,145,721 15
Total, grants to States	3 957,204,373 76	724 082 949 30	819,579 736 27	5,500,867,059 33

Footnotes at end of table

TABLE 9.—*Budget receipts and expenditures under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936–46, 1947, and 1948*—Continued

Expenditures	1936 through 1946	1947	1948	Grand total to date
Refunds of taxes [15]				
Refunds of social security taxes				
Employment taxes [1]	$12 622 394 80	$5,316,152 37	$5,073 009 78	$23 011,556 95
Tax on employers of 8 or more				
Refunds to States [2]	40 561 886 43			40 561 886 43
Refunds to others	18 735 225 47	3 460 404 26	2,510 523 23	24 715,212 96
Total tax on employers of 8 or more	59 297 111 00	3,460 404 26	2 510 528 23	65 277 099 30
Total refunds of social security taxes	71 919 506 70	3 785,616 63	7 583 533 01	88 288,656 34
Refunds of taxes upon carriers and their employees [1]	1 729 086 95	40 958 90	30 085 02	1,800 730 98
Total refunds of taxes	73 048 593 05	8 826 575 59	7 614 218 08	[16] 90 089 387 27
Transfers to trust accounts				
Federal old-age and survivors insurance trust fund (salaries and expenses)		375 000 00	700 000 00	1 075 000 00
Railroad retirement account [1]	1 717,601 000 00	298,463,000.00	758 488,498.50	2,774,552,498 50
Railroad Unemployment Insurance Administration fund transfers to unemployment trust fund (act of Oct 10 1940)	47,648 850 00	9 214,085 00	9 650,100 00	66,518 935 00
Railroad unemployment insurance account [3]				
Advance (act of June 25, 1938)	15 000 000 00		-	15,000 000 00
Repayment of advance	[a] 15 000 000 00			[a] 15 000 000 00
Total transfers to trust accounts	1 765 249 850 00	[r] 308,052,985 00	768 838 598 50	2,842,141 433 50
Total expenditures	6 135 989 202 22	[r] 1 074 583,501 15	1,626 328 192 56	8 836 900 895 93

[a] Excess of credits (deduct)
[r] Revised see footnote 8 table 5
[1] Relates to old-age insurance benefits
[2] Second Deficiency Appropriation Act fiscal year 1938 approved June 25, 1938, carried an appropriation of $40 561,886 43 pursuant to authorization of Aug 24 1937 for making refund to certain States of portions of Federal employees tax for 1936 collected under Social Security Act Also Railroad Unemployment Insurance Act, approved June 25, 1938 appropriated to Railroad Unemployment Insurance Administration fund amounts collected or to be collectible with respect to calendar years 1936–39, from carriers subject to the act under sec 901 of Social Security Act
[3] Relates to unemployment insurance benefits
[4] These contributions represent 10 percent of amounts collected under sec 8 of Railroad Unemployment Insurance Act, which in addition to other collections referred to in footnote 2, are appropriated to Railroad Unemployment Insurance Administration fund for administrative expenses of Railroad Retirement Board in administering act
[5] Represents appropriations equal to "Social security employment taxes" collected and deposited as provided under sec 201 (a) of Social Security Act Amendments of 1939
[6] Includes amounts for administrative expenses reimbursed to general fund of Treasury under sec 201 (f) of Social Security Act as amended, and beginning July 1 1940, also includes expenses for administration of Wagner Peyser Act
[7] Includes expenditures from appropriations made specifically for administrative expenses, relating to Social Security and Railroad Retirement Acts Does not include administrative expenses payable from other appropriations. Principal agencies in latter group are Bureau of Internal Revenue of Treasury Department and Public Health Service and Office of Education of Federal Security Agency (see also footnote 10)
[8] Under Labor Federal Security Appropriation Act 1947 salaries and expenses for Bureau of Old Age and Survivors Insurance are payable directly from Federal old age and survivors insurance trust fund Prior to July 1, 1946, such payments were included under this caption with reimbursement therefor from trust fund to general fund of Treasury
[9] Includes expenditures under Social Security Act by Department of Labor through July 31 1946
[10] Amounts are net of reimbursement for administrative expenses under sec 201 (f) of Social Security Act, as amended
[11] See explanation in footnotes 2 and 4
[12] Includes expenditures made directly by Federal Government beginning Jan 1, 1942, for maintenance of public employment offices
[13] Beginning July 1 1945, payments previously made under Social Security Act were discontinued and thereafter made under provisions of Public Health Service Act of 1944
[14] Classified as "Executive Office. Office for Emergency Management, War Manpower Commission" through July 31, 1946
[15] These classifications were effective January 1940, figures are shown on basis of checks issued as reported by Bureau of Internal Revenue
[16] Includes interest refunded as follows Employment taxes, $1 242,058 45 taxes on employers of 8 or more (refunds to others) $1 048,096 48, refunds of taxes upon carriers and their employees, $241,839 10

TABLE 10.—*Panama Canal receipts and expenditures, fiscal years 1903–48*

[On basis of warrants issued, see p. 393]

Year	Receipts covered into the Treasury			Expenditures			
	Tolls	Other[1]	Total	Construction, maintenance, and operation[2]	Fortifications[3]	Total general expenditures	Interest paid on Panama Canal loans
1903–20[4]	$33,055,967.56	$18,769,649.23	$51,825,616.79	$433,841,040.16	$29,699,391.82	$463,540,431.98	$33,377,347.82
1921	11,310,598.62	603,762.70	11,914,361.32	16,480,390.79	2,088,007.66	18,568,398.45	2,994,776.66
1922	11,199,761.92	849,898.73	12,049,660.65	3,041,035.40	896,327.45	3,937,362.85	2,995,398.14
1923	17,229,808.14	640,177.11	17,869,985.25	3,870,503.37	950,189.20	4,820,692.57	2,997,904.81
1924	24,513,221.42	2,611,291.91	27,124,513.33	7,391,711.97	393,963.37	7,785,675.34	2,992,461.19
1925	21,399,629.39	1,504,103.05	22,903,732.44	9,300,509.73	872,689.93	10,173,199.66	2,988,918.80
1926	22,920,493.06	1,371,424.81	24,291,917.87	8,669,333.57	1,153,322.38	9,822,655.95	2,989,598.76
1927	24,239,771.10	1,654,930.35	25,894,701.45	7,863,376.03	586,043.94	8,449,419.97	2,991,988.25
1928	26,952,927.37	1,881,418.05	28,834,345.42	10,909,442.27	1,165,632.53	12,075,074.80	2,987,329.95
1929	27,054,600.07	1,776,847.17	28,831,447.24	10,220,913.25	943,985.31	11,164,898.56	3,002,235.80
1930	27,126,563.42	1,845,079.61	28,971,643.03	10,497,935.33	999,413.77	11,497,349.10	2,991,375.23
1931	24,671,943.01	1,862,644.73	26,534,587.74	10,303,755.15	916,979.29	11,220,734.44	2,992,366.45
1932	20,775,097.39	1,673,814.18	22,448,911.57	10,904,319.70	779,868.12	11,684,187.82	2,989,627.12
1933	19,464,173.04	3,719,581.36	23,183,754.40	11,780,139.21	614,916.00	12,395,055.21	2,969,049.75
1934	24,135,261.01	3,032,129.61	27,167,390.62	10,709,294.89	396,310.58	11,105,605.47	2,992,453.55
1935	23,297,587.74	1,518,944.19	24,816,531.93	10,233,789.97	294,413.20	10,528,203.17	2,986,151.55
1936	23,482,083.87	2,514,302.24	25,996,386.11	11,258,334.90	478,946.22	11,737,281.12	1,863,500.40
1937	23,231,115.36	2,170,148.65	25,401,264.01	11,879,521.47	791,939.98	12,571,461.45	1,516,514.50
1938	23,220,589.25	1,721,664.17	24,942,253.42	11,416,004.37	1,311,830.33	12,727,834.70	1,502,876.10
1939	23,690,683.82	1,297,920.25	24,988,604.07	10,737,752.67	1,742,368.04	12,480,120.71	1,491,369.00
1940	21,127,270.18	1,314,750.63	22,442,020.81	28,705,521.08	2,862,576.01	31,568,097.09	1,511,758.20
1941	18,273,099.08	2,267,000.87	20,540,099.95	44,190,365.22	5,294,885.64	49,485,250.86	1,494,333.60
1942	9,765,364.76	2,362,548.24	12,127,913.00	67,508,420.54	4,535,557.14	72,043,977.68	1,495,254.00
1943	6,863,387.24	1,715,428.32	8,578,815.56	58,277,629.48	820,703.11	59,098,332.59	1,365,660.75
1944	5,922,967.70	2,479,061.01	8,402,028.71	19,574,310.85	[a] 641,793.35	18,932,517.50	1,620,018.75
1945	7,222,578.38	5,138,168.44	12,360,746.82	7,420,446.58	[a] 2,862.79	7,417,583.79	1,365,354.00
1946	14,792,595.50	6,482,252.95	21,274,848.45	20,555,237.58	[a] 2.54	20,555,235.04	1,621,748.25
1947	17,536,238.56	3,086,722.10	20,622,960.66	22,249,546.81	[a] 405.00	22,249,141.81	1,478,469.00
1948	20,035,190.56	3,485,924.07	23,521,114.63	18,718,650.69		18,718,650.69	1,487,512.50

[a] Excess of credits (deduct).

[1] Beginning with the fiscal year 1924 the amounts in this column include the sums received as dividends on capital stock of the Panama Railroad owned by the United States.

[2] The amounts shown in this column include the payments to the Government of Panama under the treaty of Nov. 18, 1903, of $250,000 per annum, the first payment being made during the fiscal year 1913 and similar payments continuing each year since that date until 1940 when the amount was increased to $430,000 per annum and also include for 1940 the amount of $2,580,000 for payments from 1934 to 1939 inclusive at the rate of $430,000 per annum pursuant to the treaty of Mar. 2, 1936, but do not include the payment to the Government of Colombia growing out of the construction of the Panama Canal of $5,000,000 per annum during the fiscal years 1923 to 1927, inclusive, an aggregate sum of $25,000,000 as provided for under the treaty of Apr. 6, 1914. Includes expenses of civil government, Panama Canal and Canal Zone.

[3] Includes expenditures made from specific appropriations for fortifications of the Canal but no expenditures from general appropriations that may have been for this purpose.

[4] For details for the fiscal years 1903 through 1920 see annual report for 1944, p. 585.

TABLE 11 —*Postal receipts and expenditures, fiscal years 1911–48* [1]

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues	Postal expenditures [2]		Surplus or deficit (—)	Surplus revenue paid into Treasury [4]	Grants from Treasury to cover postal deficiencies [5]
		Extraordinary expenditures as reported under act of June 9 1930 [3]	Other			
1911	$237 879 824		$237 660 705	$219 118		$133 784
1912	246 744 016		248,520 539	—1 785 523		1 568,195
1913	260 619,526		262,108 875	4 510 651		1,027 369
1914	287 934 500		283 558 103	4 376 463	$3 800 000	
1915	287,248 165		298,581 474	—11 333 309	8 500 000	6 636,593
1916	312 057 689		306 228 453	5 829 230		5 500 000
1917	329 726 116		319 889 904	9 836 212	5 200 000	
1918	388 975 962		324 849 188	64 126 774	48 630 701	2 221 095
1919	436 239 126		362,504 274	73 734 852	89 906 000	343 511
1920	437,150 212		[7] 418 722 295	18,427 917	5 213 000	[6] 114,854
1921	463 491 275		[7] 619 634 048	—156 143 673		[6] 130 128 458
1922	484 853 541		[7] 545 662 241	—60 808,700	81 494	[6] 64 346 235
1923	532 827,925		556 803 129	—24 005 204		32 520 915
1924	572,948 778		587 412,755	—14 463 976		12,038 850
1925	599 591,478		639 330 505	—39 745 027		23 216 784
1926	659 819 801		679 792 180	—19 972 379		39 506 490
1927	683 121 989		714 628 189	—31 506 201		27 263,191
1928	693 633 921		725 755 017	—32 121 096		32 080 202
1929	696 947 578		782 408 754	—85 461 176		94,699 744
1930	705,484,098	$39 609 718	764 030 368	—98,215 987		91,714,451
1931	656 463 383	48 047 308	754 482,265	—146 066 190		145 643,613
1932	588,171 923	63 304 423	740 418 111	—205,550 611		202 876,341
1933	587 631 364	61 691,287	638 314 969	—112,374 892		117 380 192
1934	586 733 166	66 623 130	564,143 871	—44 033 835		52,003 296
1935	630 795,302	69 537 252	627 066,001	—65,807 951		63 970,405
1936	665 343 356	68,585,283	685 074 398	—88 316 324		86 038 862
1937	726 201 110	51 587 336	721 228 506	—46 614 732		41,896,945
1938	728 634 051	42 799 687	729 645 920	—43 811 556		44 258,861
1939	745 955 075	48 540 273	736 106 665	—38 691 863		41 237 263
1940	766 948 627	53 331 172	754 401 694	—40 784 239		40 870,836
1941	812,827 736	58 837 470	778 108 078	—24,117 812		30 064 048
1942	859 817 491	73,916 128	800 040 400	—14 139 037		18,308 869
1943	966 227,289	122 343 916	830 191 463	13 691 009		14 620 875
1944	1 112 877 174	126 639 650	942 345 968	43 891 556	1 000 000	[7] —28,999 995
1945	1 314,240,132	116 198,782	1 028 902,402	169,138 948	188,102 579	649 709
1946	1 224 572,173	100 246,983	1 253 406 696	—129 081 506		160 572 008
1947	1,299 141 041	92,198,225	1,412,600 531	—205,657 715	12,000 000	241 787,174
1948	1,410 971 284	96 222,339	1,591 583 096	—276 834 152		307 010 608

NOTE —Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] For figures from 1789 through 1910 see Secretary's annual report for 1946 p 419

[2] Postal expenditures include adjusted losses etc —postal funds and expenditures from postal balances, but are exclusive of departmental expenditures in Washington D C, to the close of fiscal year 1922, and amounts transferred to the civil service retirement and disability fund fiscal years 1921 to 1926, inclusive For 1927 and subsequent years salary deductions are included in "Postal expenditures," the deductions having been paid to and deposited by disbursing clerks for credit of the retirement fund

[3] See explanation in exhibit 45

[4] On basis of warrants issued for 1914 and 1915 and on basis of daily Treasury statements from 1916 to date

[5] On basis of warrants issued prior to 1922 and on basis of daily Treasury statements for 1922 and thereafter Represents advances from the general fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress approved June 9 1930 Excludes amounts transferred to the civil service retirement and disability fund under act of May 22 1920 (41 Stat 614) and amendments thereto on account of salary deductions of 2½ percent as follows 1921 $6 519 683 59 1922, $7 899 006 28 1923 $8,284,081 00 1924 $8 679 658 60 1925 $10 266,977 00 and 1926 $10 472 289 59 See note 2 Actual advances from general fund are reduced by repayments from prior year advances which are carried to surplus

[6] Exclusive of general fund payments from the appropriation Additional compensation Postal Service under authority of the act approved Nov 8, 1919 in the amounts of $35 698 400, $1 874 015, and $6 700 for 1920 1921 and 1922 respectively

[7] Repayment of unexpended portion of prior years' advances

TABLE 12.—*Receipts from sales of public lands, and expenditures for Indians and veterans' pensions, fiscal years 1789–1948*

[On basis of warrants issued from 1789 to 1930, and on basis of checks issued for 1931 and subsequent years, see p 393]

Fiscal year	Receipts from sales of public lands	Expenditures		Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions [3]			Indians	Veterans' pensions [3]
1789-91	--	$27,000	$175,814	1840	$3,292,683	$2,331,795	$2,603,950
1792	--	13,649	109,243	1841	1,365,827	2,594,563	2,388,496
1793		27,283	80,583	1842	1,335,798	1,201,562	1,379,460
1794		13,042	81,399	1843 [1]	897,818	581,680	843,823
1795		23,476	68,673	1844	2,059,945	1,179,279	2,030,598
1796	$4,836	113,564	100,844	1845	2,077,022	1,545,817	2,396,642
1797	83,541	62,396	92,257	1846	2,694,452	1,021,461	1,810,871
1798	11,963	16,470	104,845	1847	2,498,355	1,475,306	1,747,917
1799	--	20,302	95,444	1848	3,328,643	1,221,792	1,211,275
				1849	1,688,960	1,873,119	1,330,010
1800	444	31	64,131	1850	1,859,894	1,665,802	1,870,292
1801	167,726	9,000	73,533	1851	2,352,305	2,895,755	2,290,278
1802	188,628	94,000	85,440	1852	2,043,240	2,980,408	2,403,953
1803	165,675	60,000	62,902	1853	1,667,085	3,905,745	1,777,871
1804	487,527	116,500	80,093	1854	8,470,798	1,553,531	1,297,870
1805	540,194	196,500	81,855	1855	11,497,049	2,792,052	1,450,153
1806	765,245	234,200	81,876	1856	8,917,645	2,769,430	1,298,205
1807	466,163	205,425	70,500	1857	3,829,487	4,267,543	1,312,048
1808	647,939	213,575	82,576	1858	3,513,716	4,926,789	1,217,488
1809	442,252	337,504	87,834	1859	1,756,687	3,625,027	1,220,378
1810	696,549	177,625	83,744	1860	1,778,558	2,949,191	1,102,926
1811	1,040,238	151,875	75,044	1861	870,659	2,841,358	1,036,064
1812	710,428	277,845	91,402	1862	152,204	2,278,224	853,095
1813	835,655	167,358	86,990	1863	167,617	3,154,357	1,078,991
1814	1,135,971	167,395	90,164	1864	588,333	2,629,859	4,983,924
1815	1,287,959	530,750	69,656	1865	996,553	5,116,837	16,338,811
1816	1,717,985	274,512	188,804	1866	665,031	3,247,065	15,605,352
1817	1,991,226	319,464	297,374	1867	1,163,576	4,642,532	20,936,552
1818	2,606,565	505,704	890,720	1868	1,348,715	4,100,682	23,782,387
1819	3,274,423	463,181	2,415,940	1869	4,020,344	7,042,923	28,476,622
1820	1,635,872	315,750	3,208,376	1870	3,350,482	3,407,938	28,340,202
1821	1,212,966	477,005	242,817	1871	2,388,647	7,426,997	34,443,895
1822	1,803,582	575,007	1,948,199	1872	2,575,714	7,061,729	28,533,403
1823	916,523	380,782	1,780,589	1873	2,882,312	7,951,705	29,359,427
1824	984,418	429,988	1,499,327	1874	1,852,429	6,692,462	29,038,415
1825	1,216,091	724,106	1,308,811	1875	1,413,640	8,384,657	29,456,216
1826	1,393,785	743,448	1,556,594	1876	1,129,467	5,966,558	28,257,396
1827	1,495,845	760,625	976,138	1877	976,254	5,277,007	27,963,752
1828	1,018,309	705,084	850,574	1878	1,079,743	4,629,280	27,137,019
1829	1,517,175	576,345	949,594	1879	924,781	5,206,109	35,121,482
1830	2,329,356	622,262	1,363,297	1880	1,016,507	5,945,457	56,777,175
1831	3,210,816	930,738	1,170,665	1881	2,201,863	6,514,161	50,059,280
1832	2,623,381	1,352,420	1,184,422	1882	4,753,140	9,736,748	61,345,194
1833	3,967,683	1,802,981	4,589,152	1883	7,955,864	7,362,591	66,012,574
1834	4,857,601	1,003,953	3,364,285	1884	9,810,705	6,475,999	55,429,228
1835	14,757,601	1,706,444	1,954,711	1885	5,705,986	6,552,495	56,102,268
1836	24,877,180	4,615,141	2,882,798	1886	5,630,999	6,099,158	63,404,864
1837	6,776,237	4,348,076	2,672,162	1887	9,254,286	6,194,523	75,029,102
1838	3,081,940	5,504,191	2,156,086	1888	11,202,017	6,249,308	80,288,509
1839	7,076,447	2,528,917	3,142,884	1889	8,038,552	6,892,208	87,624,779

Footnotes at end of table

TABLE 12.—*Receipts from sales of public lands, and expenditures for Indians and veterans' pensions, fiscal years 1789–1948*—Continued

Fiscal year	Receipts from sales of public lands	Expenditures		Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions [3]			Indians	Veterans' pensions [3]
1890	$6 358,278	$6 708,047	$106,936,855	1920	$1 910 140	$40 515,832	$213 844,204
1891	4,029,535	8,527,469	124,415,951	1921	1,530 439	41,470 808	260 611,416
1892	3,261,876	11,150,578	134,583,053	1922	805,391	38,500 413	252,576,848
1893	3,182 090	13 345 347	159 357,558	1923	656,508	45,142 763	264,147,869
1894	1 673,637	10 293,482	141 177,285	1924	522 223	46,754,026	228 261,555
1895	1 103,347	9 939,754	141,395,229	1925	623 534	38,755,457	218 321 424
1896	1,005,523	12,165,528	139 434 001	1926	754 253	48 442,120	207 189,622
1897	864,581	13 016 802	141 053 165	1927	621 187	36 791 649	230 556,065
1898	1,243,129	10 994,668	147,452,369	1928	384 651	36,990 808	229 401,452
1899	1,678,247	12,805,711	139 394,929	1929	814,568	34 086,586	229,781,079
1900	2,836,888	10,175 107	140,877 816	1930	895 744	32 066 628	220,608,931
1901	2,965,120	10 896 073	139,323,622	1931	230,302	26,778 585	234,402,722
1902	4,144,123	10 049,585	138,488,560	1932	170,330	26,125 092	232,521 292
1903	8,926 811	12 935,168	138 425,646	1933	102,561	22 722,347	234,990,427
1904	7 453,480	10 438 350	142,559,266	1934	99 336	23 872 905	319 322,034
1905	4 859,250	14 236,074	141,773,965	1935	86,757	27 918,899	373 804 501
1906	4,879 834	12,746 859	141 034,562	1936	74,855	28,875 778	399,065,694
1907	7 878,811	15,163,608	139,309,514	1937	71 218	36 933 148	396 047,400
1908	9,731,560	14 579,756	153 892,467	1938	95 649	33 378,389	402 779 088
1909	7 700,568	15,694 618	161,710,367	1939	248 401	46,964,171	416,720,951
1910	6,355,797	18,504,132	160,696 416	1940	117 020	[2]37,821,090	429,178,230
1911	5,731 637	20,933,869	157 980,575	1941	178,246	[2]33 587 984	433 147 890
1912	5,392,797	20,134 840	153 590,456	1942	89 505	[2]31 833 510	431 294,492
1913	2 910,205	20 306 159	175,085 450	1943	129 206	[2]24 505 410	442,393 770
1914	2,571 775	20 215,076	173 440,231	1944	99 320	[2]31,266,494	494 959 142
1915	2,167,136	22,130,351	164,387,942	1945	184 899	[2]29 679 512	772,190 347
1916	1 887,662	17 570,284	159,302 351	1946	127 063	[2]35,495,416	1,261 414 607
1917	1,892,893	30 598,093	160,318,400	1947	142,755	[2]37 369 285	1 929 220 490
1918	1,969,455	30,888,400	181,137 754	1948	213,948	[2]41 146,564	2 080 130 168
1919	1 404,705	34,593,257	221,614,781				

[1] From 1789 to 1842 the fiscal year ended Dec 31, from 1844 to date, on June 30 Figures for 1843 are for a half year, Jan 1 to June 30

[2] Excludes interest accounts which are included in trust fund expenditures

[3] Represents expenditures under appropriation "Army and Navy pensions" administered by Veterans' Administration

PUBLIC DEBT, GUARANTEED OBLIGATIONS, CONTINGENT LIABILITIES, ETC

Outstanding public debt, guaranteed obligations, contingent liabilities, etc

TABLE 13.—*Principal of the public debt, June 30, 1853–1948* [1]

[On basis of Public Debt accounts from 1853 through 1919 and on basis of daily Treasury statements from 1920 to date, see p. 393 [1]]

June 30	Interest bearing [2]	Matured	Noninterest bearing [3]	Total gross debt	Gross debt per capita
1853	$59,642,412	$162,249		$59,804,661	$2.32
1854	42,044,517	199,248		42,243,765	1.59
1855	35,418,001	170,498		35,588,499	1.30
1856	31,805,180	168,901		31,974,081	1.13
1857	28,503,377	197,998		28,701,375	.99
1858	44,743,256	170,168		44,913,424	1.50
1859	58,333,156	165,225		58,498,381	1.91
1860	64,683,256	160,575		64,843,831	2.06
1861	90,423,292	159,125		90,582,417	2.80
1862	365,356,045	230,520	$158,591,390	524,177,955	15.79
1863	707,834,255	171,970	411,767,456	1,119,773,681	32.91
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	52.08
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	75.01
1866	2,322,116,330	4,435,865	429,211,734	2,755,763,929	75.42
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	76.91
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	67.61
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	65.17
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	61.06
1871	1,920,696,750	1,948,902	399,406,489	2,322,052,141	59.72
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	52.65
1873	1,696,483,950	51,929,400	402,796,935	2,151,210,345	50.02
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	49.05
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	47.84
1876	1,696,685,450	3,902,170	430,258,158	2,130,845,778	46.22
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	44.71
1878	1,780,735,650	5,594,570	373,088,595	2,159,418,315	44.82
1879	1,887,716,110	37,015,630	374,181,153	2,298,912,643	46.72
1880	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.60
1881	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.18
1882	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.16
1883	1,324,229,150	7,831,165	389,898,603	1,721,958,918	31.83
1884	1,212,563,850	19,655,955	393,087,639	1,625,307,444	29.35
1885	1,182,150,950	4,100,745	392,299,474	1,578,551,169	27.86
1886	1,132,014,100	9,704,195	413,941,255	1,555,659,550	26.85
1887	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.75
1888	936,522,500	2,495,845	445,613,311	1,384,631,656	22.89
1889	815,853,990	1,911,235	431,705,286	1,249,470,511	20.23
1890	711,313,110	1,815,555	409,267,919	1,122,396,584	17.80
1891	610,529,120	1,614,705	393,662,736	1,005,806,561	15.63
1892	585,029,330	2,785,875	380,403,636	968,218,841	14.74
1893	585,037,100	2,094,060	374,300,606	961,431,766	14.95
1894	635,041,890	1,851,240	380,004,687	1,016,897,817	14.89
1895	716,202,060	1,721,590	378,989,470	1,096,913,120	15.76
1896	847,363,890	1,636,890	373,728,570	1,222,729,350	17.25
1897	847,365,130	1,346,880	378,081,703	1,226,793,713	16.99
1898	847,367,470	1,262,680	384,112,913	1,232,743,063	16.77
1899	1,046,048,750	1,218,300	389,433,654	1,436,700,704	19.21
1900	1,023,478,860	1,176,320	238,761,733	1,263,416,913	16.60
1901	987,141,040	1,415,620	233,015,585	1,221,572,245	15.74
1902	931,070,340	1,280,860	245,680,157	1,178,031,357	14.88
1903	914,541,410	1,205,090	243,659,413	1,159,405,913	14.38
1904	895,157,440	1,970,920	239,130,656	1,136,259,016	13.83
1905	895,158,340	1,370,245	235,828,510	1,132,357,095	13.51
1906	895,159,140	1,128,135	246,235,695	1,142,522,970	13.37
1907	894,834,280	1,086,815	251,257,098	1,147,178,193	13.19
1908	897,503,990	4,130,015	276,056,398	1,177,690,403	13.28
1909	913,317,490	2,883,855	232,114,027	1,148,315,372	12.69
1910	913,317,490	2,124,895	231,497,584	1,146,939,969	12.41
1911	915,353,190	1,879,830	236,751,917	1,153,984,937	12.29
1912	963,776,770	1,760,450	228,301,285	1,193,838,505	12.52
1913	965,706,610	1,659,550	225,681,585	1,193,047,745	12.27
1914	967,953,310	1,552,560	218,729,530	1,188,235,400	11.99
1915	969,759,090	1,507,260	219,997,718	1,191,264,068	11.85
1916	971,562,590	1,473,100	252,109,878	1,225,145,568	12.02
1917	2,712,549,477	14,232,230	248,836,878	2,975,618,585	28.77
1918	11,985,882,436	20,242,550	237,503,733	12,243,628,719	117.11
1919	25,234,496,274	11,109,370	236,428,775	25,482,034,419	242.54
1920	24,062,509,285	6,745,237	230,075,945	24,299,321,467	228.23
1921	23,738,900,085	10,688,160	227,862,308	23,977,450,553	220.91
1922	22,710,338,105	25,250,880	227,792,723	22,963,381,708	208.65
1923	22,007,043,612	98,738,910	243,924,844	22,349,707,365	199.64

Footnotes at end of table

TABLE 13.—*Principal of the public debt, June 30, 1853–1948* [1]—Continued

June 30	Interest bearing [2]	Matured	Noninterest bearing [3]	Total gross debt	Gross debt per capita
1924	$20 981 242,042	$30 278 200	$239 292,747	$21,250 812,989	$186 23
1925	20 210 906 015	30 258 980	275 027 993	20,516 193 888	177 12
1926	19 383 770 800	18 859 000	246 085 555	19 643 216 315	167 32
1927	18 252 664 660	14 718 585	244 523 681	18 511 906,932	155 51
1928	17 817 694 182	45 335,060	241 263 059	17 604,293 201	146 00
1929	16 638 941 379	50 749 100	241,397 905	16 931 088 484	139 04
1930	15 921 892,350	31 716 870	231 700 611	16 185 309 831	131 51
1931	16 519 588 640	51 819 095	229 873 756	16 801 281 492	135 45
1932	19 161 273 540	60 079 385	265 649 519	19 487 002,444	156 10
1933	22 157 643 120	65 911 170	315 118 270	22,538 672,560	179 48
1934	26 480 487 870	54 266 880	518 380 714	27 053 141 414	214 07
1935	27 645 241 089	230 662,155	824 989 381	28 700 892,625	225 55
1936	32,988 790 135	169 363 395	620 389 054	33 778 543 494	263 79
1937	35 800,109 418	118,529 815	505 974 499	36,424 613,732	282 75
1938	36 575 925 880	141 362 460	447 451 975	37 164 740 315	286 27
1939	39 885 969 732	142,283 140	411 279 539	40 439 532 411	308 98
1940	42,376 495 928	204 591 190	386 443 919	42,967 531 038	325 59
1941	48 387 399 539	204 999 860	369 044 137	48 961 443 536	367 57
1942	71 968 418 098	98 299 730	355 727 288	72 422 445 116	537 80
1943	135 380 305 795	140 500 090	1 175 284 445	136 696 090 330	r 1 001 40
1944	199 543 355 301	200 851 160	1 259 180,760	201 003 387 221	1 455 67
1945	256 356 615 818	268 667 135	2 056 904 457	258 682 187 410	r 1 848 21
1946	268 110 872 218	376 406 860	934 820 095	269 422 099 173	1 907 92
1947	255,113 412 039	230 913 536	2 942 057 534	258 286 383 109	r 1 793 23
1948	250 063 348 379	279 751 730	1 949 146 403	252 292 246 513	1 721 29

r Revised in accordance with Bureau of the Census estimated population for continental United States as of July 1

[1] Figures for 1853 through 1885 are taken from "Statement of receipts and expenditures of the Government from 1855 to 1885 and principal of public debt from 1791 to 1885," compiled from the official records of the Register's office. From 1886 through 1919 figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury (See table 24, p 507 in 1942 report). From 1920 to date figures are taken from the Preliminary Statement of the Public Debt published in the daily Treasury statements

[2] Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States)

[3] Includes old demand notes United States notes (gold reserve deducted since 1900), postal currency and fractional currency less the amounts officially estimated to have been destroyed, deposits held by the Treasury for the retirement of Federal Reserve Bank notes and for national bank notes of national banks failed in liquidation and reducing circulation which prior to 1890 were not included in the published debt statements and also special notes of U S issued to International Bank for Reconstruction and Development and International Monetary Fund. Does not include gold, silver or currency certificates or Treasury notes of 1890 for redemption of which an exact equivalent of the respective kinds of money or bullion was held in the Treasury

TABLE 14.—*Public debt and guaranteed obligations, June 30, 1934–48*

June 30	Gross public debt	Guaranteed obligations [1]			Total gross public debt and guaranteed obligations	
		Interest bearing	Matured	Total	Total	Per capita [2]
1934	$27 053 141 414	$680 767 817		$680 767 817	$27 733 909 231	$219 40
1935	28 700 892 625	4 122 684 692		4 122 684 602	32 823 577 316	257 95
1936	33 778 543 494	4 718 033 242		4 718 033 242	38 496 576 736	300 68
1937	36 424 613 732	4 664 594 533	$10,000	4 664 604 533	41 089 218,265	318 95
1938	37 164 740 315	4 852 559 151	232 500	4 852 791 651	42 017 531 967	323 65
1939	40 439 532 411	5 450 012 899	821 200	5 450,834 099	45 890 366 510	350 63
1940	42 967 531 038	5 497 556 555	31 514 100	5 529 070 655	48 496,601,693	367 48
1941	48 961 443 536	6 359 619 105	10 633 475	6 370 252 580	55 331,696 116	415 89
1942	72 422,445 116	4 548 529 255	19 730 375	4 568 259 630	76 990 704 746	571 72
1943	136,696 090 330	4 091 686 621	8 256,425	4 099 943 046	140 796 033 376	1 031 50
1944	201 003 387 221	1 515 638 620	107 439 075	1 623 069 301	202 626 456 522	1 467 43
1945	258 682 187 410	409 091 867	24 066,525	433 158 392	259 115 345 802	1 856 81
1946	269 422,099 173	466 671 984	9 712,875	476 384 859	269 898 484 033	1 910 99
1947	258 286 383 109	83 212 285	6 307 900	89 520 185	258 375 903 294	1 793 85
1948	252 292 246 513	68 768 043	4,692 775	73 460,818	252 365 707 331	1 721 80

NOTE.—Gross public debt on basis of daily Treasury statements. Guaranteed obligations from 1934 through 1939 on basis of Public Debt accounts and for 1940 and subsequent years on basis of daily Treasury statements. Figures except per capita are rounded to nearest dollar and will not necessarily add to totals

[1] Consists of obligations issued by certain Government corporations and credit agencies obligations which are guaranteed by the United States as to both principal and interest. They were first authorized in 1932, but no such obligations were outstanding at the end of the fiscal years 1932 and 1933. Excludes guaranteed obligations held by the Treasury

[2] Based on Bureau of the Census estimated population for continental United States as of July 1 of each year

TABLE 15.—*Public debt, by security classes, June 30, 1938–48*

[In millions of dollars. On basis of daily Treasury statements, see p 393]

Class	June 30 1938	June 30 1939	June 30 1940	June 30 1941	June 30 1942	June 30 1943	June 30 1944	June 30 1945	June 30, 1946	June 30, 1947	June 30 1948
Interest bearing											
Public issues:											
Marketable issues											
Panama Canal loan bonds	50	50	50	50	50	50	50	50	50	50	50
Conversion bonds of 1946–47	29	29	29	29	29	29	29	29	13	-	
Postal savings bonds	118	118	118	117	117	117	117	117	117	116	114
Treasury bonds:											
Bank-eligible	21 846	25,218	26 555	30,215	37 202	48 809	58 083	69 693	65 864	69 686	62 826
Bank restricted [1]		-			882	8,711	21 161	36,756	53,459	49 636	49 636
Treasury notes	9 147	7 243	6 383	5,698	6,689	9 168	17 405	23 497	18 261	8 142	11 375
Certificates of indebtedness	-	-			3,096	16 561	28 822	34 136	34,804	25,296	22,588
Treasury bills	1 154	1 308	1 302	1,603	2 508	11 864	14 734	17 041	17 039	15,775	13 757
Total marketable issues	32 344	33 965	34 436	37 713	50 573	95 310	140,401	181 319	189 606	168 702	160,346
Nonmarketable issues.											
United States savings bonds	1 238	1 868	2,905	4,314	10 188	21,256	34 606	45 586	49 035	51 367	53 274
Depositary bonds	-		-		79	226	474	505	427	325	316
Armed forces leave bonds	-	-	-	-						1 793	563
Adjusted service bonds of 1945	319	283	261	241	229	222	217		-		-
Treasury bonds—investment series	-	-		-							959
Treasury notes—tax series and savings series	-		-		3,015	7 495	9,557	10 136	6 711	5,560	4 394
Total nonmarketable issues	1 556	2 151	3 166	4,555	13 510	29 200	44 855	56 226	56,173	59 045	59 506
Total public issues	33,900	36 116	37 602	42,267	64 083	124 509	185 256	237 545	245,779	227 747	219 852
Special issues											
Old-age reserve account (notes)	662	1 177	1 413	1 053	524	-	-	-	-	-	-
Federal old-age and survivors insurance trust fund (notes)	-	-	325	1,328	2,610	4,044	4,386	3 660	2,509	1 109	-
Federal old-age and survivors insurance trust fund (certificates)	-	-	-	-		-	380	1 648	3 401	5,995	7 709
Railroad retirement account (notes)	66	67	79	74	92	178	319	501	657	806	1 374
Civil service retirement fund (notes)	389	465	550	645	783	1,060	1 451	1 848	2,105	2 435	2 795
Foreign service retirement fund (notes)	3	4	4	5	5	6	7	8	9	10	12
Canal Zone retirement fund (notes)	4	4	4	5	7	8	9	10	11	12	13
Alaska Railroad retirement fund (notes)	(*)	1	1	1	1	2	2	2	2	3	3
Postal Savings System (notes)	45	128	97	88	55	197	264	461	779	1,624	1 909

Canal Zone Postal Savings System (notes)			—		1	2	4	4	4	4	3
Farm tenant mortgage insurance fund (notes)						- -		-		- -	1
Federal home loan banks (notes)					-						37
Federal Deposit Insurance Corporation (notes)	85	101	56	90	95	103	98	97	120	408	549
Federal Savings and Loan Insurance Corporation (notes)				5	5	106	27	37	49	62	74
National service life insurance fund (notes)				3	39	352	1 213	3 187	5,240	6,474	6,935
Government life insurance fund (adjusted service bonds)	500	500	500	500	500	500	500	500	-	-	
Government life insurance fund (notes)	23	36	24	31	37	38	2	2	2		-
Government life insurance fund (certificates)			-					86	682	1 254	1 286
Mutual mortgage insurance fund (notes)	-				-					14	4
Adjusted service certificate fund (certificates)	26	20	11	19	18	18	17	14	12	12	6
Unemployment trust fund (certificates)	872	1,267	1,710	2,273	3,114	4,257	5,610	6,747	6,699	7 142	7 500
War housing insurance fund (notes)				-						3	-
Total special issues	2 676	3 770	4,775	6 120	7 885	10 871	14 287	18 812	22,332	27 366	30 211
Total interest bearing debt	36 576	39 886	42,376	48 387	71 968	135 380	199 543	256 357	268,111	255 113	250 063
Matured debt on which interest has ceased	141	142	205	205	98	141	201	260	376	231	230
Debt bearing no interest											
Special notes of the United States											
International Bank for Reconstruction and Development series							-			416	66
International Monetary Fund series										1,724	1 161
United States savings stamps [2]						213	197	178	96	70	58
Excess profits tax refund bonds							134	1 028	58	19	9
United States notes (less gold reserve)	191	191	191	191	191	191	191	191	191	191	191
Deposits for retirement of national bank and Federal Reserve Bank notes	252	215	190	173	159	766	732	655	584	517	450
Other debt bearing no interest	5	5	5	6	6	6	6	6	6	6	6
Total debt bearing no interest	447	411	386	369	356	1 175	1 259	2,057	930	2 942	1,949
Total gross debt	37 165	40,440	42,968	48 961	72 422	136,696	201 003	258 682	269 422	258,286	252,292

NOTE —Figures are rounded and will not necessarily add to totals For information on composition of public debt beginning June 30 1916 see 1947 annual report p 361

* Less than $500,000.

1 For explanation, see footnote 5, table 102

2 Sales of these stamps commenced May 1, 1941 as a special defense series of postal savings stamps which were obligations of Postal Savings System Beginning Oct 1 1942 this special series was replaced by a Treasury issue of United States war savings stamps and all outstanding stamps became public debt obligations

TABLE 16.—*Guaranteed obligations held outside the Treasury,*[1] *classified by issuing Government corporations and other business-type activities, June 30, 1938–48*

[Face amount in thousands of dollars]

Agency	June 30 1938	June 30 1939	June 30, 1940	June 30, 1941	June 30 1942	June 30 1943	June 30 1944	June 30 1945	June 30 1946	June 30 1947	June 30 1948
UNMATURED OBLIGATIONS											
Commodity Credit Corporation (notes, etc.)	206 174	206 174	406 794	696 252	701 054	480 065	561 202	375 161	424,147	45 002	41 703
Federal Farm Mortgage Corporation (bonds)	1 409 760	1 379 410	1 269 388	1,269 388	929,764	929 764				-	
Federal Housing Administration											
Mutual mortgage insurance fund (debentures)	583	2,634	5,477	8 049	8,620	8,797	8 518	8,347	8,370	7 497	7 445
Housing insurance fund (debentures)	--		2,024	9 304	12,844	14,662	13 043	9,538	7 038	5,938	5 938
War housing insurance fund (debentures)						-	1 972	16 045	27 117	24,775	13 682
Public Housing Administration[2] (notes)		114 157	114 157	226,256	114,157	114,157					-
Home Owners Loan Corporation (bonds)	2,937 169	2 927 949	2 603 360	2,408,921	1 502 839	1 533 452	754,904				
Reconstruction Finance Corporation (notes)	298 873	819 689	1 096,357	1 741 449	1 219 251	1 010 760	176 000				
Total unmatured obligations	4,852,559	5 450 013	5 497 537	6,369 619	4 548,529	4,091 687	1 515,639	409 092	466 672	83 212	68 768
MATURED OBLIGATIONS											
Commodity Credit Corporation			-	-	42	137	7	82			
Federal Farm Mortgage Corporation		-	354	142	13 077	1 859	42,913	7 830	3 714	2,425	1 738
Federal Housing Administration.											
Mutual mortgage insurance fund		-		26	13	16	17				
Public Housing Administration[2]					5		66	8	2	2	2
Home Owners Loan Corporation	233	821	31 101	10,466	5 292	5 863	64 251	16 128	5 988	3 878	2 953
Reconstruction Finance Corporation.					401	281	176	19	8	3	
Total matured obligations	233	821	31 514	10 633	19 730	8,256	107 431	24,067	9 713	6 308	4,693
Total, based on guarantees	4,852 792	5 450 834	5 529 071	6 370,253	4,568 260	4,099 943	1 623 069	433 158	476 385	89 520	73 461

NOTE.—Figures through 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements For reconciliation to basis of Public Debt accounts for 1948 see table 19 Figures are rounded and will not necessarily add to totals

[1] For obligations held by Treasury and reflected in the public debt, see table 17

[2] Pursuant to Reorganization Plan No 3 of 1947 which became law on July 27 1947 name changed from Federal Public Housing Authority to Public Housing Administration

TABLE 17 —*Treasury holdings of obligations issued by corporations and certain other business-type activities of the Government, June 30, 1938–48*

[Face amount, in thousands of dollars]

Agency	June 30 1938	June 30 1939	June 30 1940	June 30 1941	June 30 1942	June 30 1943	June 30 1944	June 30 1945	June 30 1946	June 30 1947	June 30 1948
Commodity Credit Corporation	-	10 000	25,000	140 000	400 000	1 950 000	900 000	1 591 000	1 301 000	510 000	440 000
Export Import Bank of Washington	-									516 200	970 600
Federal Farm Mortgage Corporation	-				263 000		366 000	108,000	13 000	21 000	
Home Owners' Loan Corporation	15,000	20,000			551 000	212 000	580 000	1 009 982	737 000	529 000	244,000
Public Housing Administration [1]	4,000		20 000	85 000	274 000	283 000	398,000	383 000	360 000	347 000	362,000
Reconstruction Finance Corporation	863 692	243 048	7 000	19 916	2,533 918	5 033 372	8 416 487	9 019 947	9 205,355	9 966 141	
Rural Electrification Administration	-					-					718 074
Tennessee Valley Authority	-	272	52 272	56,772	56,772	56,772	56 772	56 772	56,772	56,000	54 000
The Virgin Islands Company	-	-									250
Total	882 692	273,320	104,272	301 689	4,078 691	7 535 145	10 717 260	12 168 702	11 673 128	11 945 841	2 788,924

NOTE —Figures through 1942 on basis of Public Debt accounts and for 1943 and subsequent years on basis of daily Treasury statements Figures are rounded and will not necessarily add to totals.

[1] Formerly United States Housing Authority Executive Order 9070 of Feb 24 1942 transferred its functions to Federal Public Housing Authority Federal Public Housing Authority was changed to Public Housing Administration by Reorganization Plan No 3 of 1947

TABLE 18.—*Contingent liabilities, June 30, 1938–48* [1]

[Face amount in thousands of dollars]

	June 30, 1938	June 30 1939	June 30, 1940	June 30, 1941	June 30 1942	June 30 1943	June 30 1944	June 30 1945	June 30, 1946	June 30, 1947	June 30 1948
ON CREDIT OF THE UNITED STATES											
U S Postal Savings System (funds due depositors)	1 251,875	1,262,370	1,293,504	1 309,447	1,481 865	1,468,021	1 905 864	2,458,558	3 013 502	3 374,809	3 434,802
Canal Zone Postal Savings System (funds due depositors)	-	---	2,238	3,153	5,772	7 551	8,548	9,446	9 782	9 846	9,371
Tennessee Valley Authority [2] (bonds)	-	8,300	8,300	8 300	8,300	8,300	6,300	6,300	2,000	--	-
Total, based on credit of the United States	1,251,875	1,270,670	1,304,043	1 320,900	1 495 936	1 483,873	1,920 712	2,474,304	3,025,283	3 384,655	3 444,173
OTHER OBLIGATIONS											
Federal Reserve System (Federal Reserve notes)	4,139 148	4 502,273	5,188,054	6,714,688	9 361,095	13 487 909	18,176,122	22 190 211	23 316 334	23 406 827	23 054,407

NOTE.—*Figures through* 1942 on basis of Public Debt accounts and for 1943 and subsequent years on basis of daily Treasury statements *Figures are rounded* and will not necessarily add to totals

[1] Does not include contingent liability *on* guaranteed and insured loans to veterans which, as of June 30, 1947 amounted to $2,216 908 899 45 also does not include contingent liability *on* war production and contract termination guaranteed loans *of the* Department of the *Army which, as of June 30, 1948, amounted* to $1 463 073 03

[2] Bonds held by Reconstruction *Finance* Corporation

TABLE 19.—*Summary of public debt and guaranteed obligations, by security classes, June 30, 1948*

[On basis of Public Debt accounts with adjustment to daily Treasury statement basis see p 393]

Class of security	Computed rate of interest [1]	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of daily Treasury statement [2]	Amount outstanding on basis of daily Treasury statement
PUBLIC DEBT				
Interest bearing public debt				
Public issues				
Marketable obligations	*Percent*			
Treasury bills	[3] 1 014	$13 757 257 000 00		$13 757 257 000 00
Certificates of indebtedness	1 042	22, 588, 152, 000 00	−$365, 000 00	22, 587 787 000 00
Treasury notes	1 204	11 374 570, 000 00		11 374, 570, 000 00
Treasury bonds	2 309	112, 462 026 000 00		112 462, 026 000 00
Other bonds	2 652	164 111 240 00		164, 111 240. 00
Total marketable obligations	1 942	160 346, 116, 240 00	−365 000 00	160 345 751 240 00
Nonmarketable obligations				
Treasury savings notes	1 070	4 348 014 300 00	+45, 684, 400 00	4 393 698 700 00
United States savings bonds	2 758	53 228 951 904. 73	+44 723 559 65	53, 273 675 514 38
Depositary bonds	2 000	316 354 000 00		316, 354 000. 00
Armed forces leave bonds	2. 500	560 889 200 00	+2, 387 725 00	563 276 925 00
Treasury bonds investment series	2. 500	959 350 000 00		959 350 000 00
Total nonmarketable obligations	2. 624	59 413 559 454 73	+92, 795 684. 65	59 506 355 139 38
Total public issues	2 126	219 759 675 694 73	+92 430 684 65	219 852, 106, 379 38
Special issues				
Adjusted service certificate fund	4 000	5 800 000 00		5 800 000. 00
Alaska Railroad retirement fund	4 000	3 070, 000 00		3 070 000. 00
Canal Zone Postal Savings System	2 000	3, 000, 000 00		3 000 000. 00
Canal Zone retirement fund	3 985	13 127 000. 00		13, 127 000 00
Civil service retirement fund	3 997	2 794 611 000 00		2, 794 611 000 00
Farm tenant mortgage insurance fund	2 000	1 000, 000 00		1 000 000 00
Federal Deposit Insurance Corporation	2 000	549 000 000 00		549 000 000 00
Federal home loan banks	1 500	37 400 000. 00		37, 400 000 00
Federal old-age and survivors insurance trust fund	2 125	7 709 000 000 00		7 709 000 000 00
Federal Savings and Loan Insurance Corporation	2. 000	74 462, 000 00		74 462 000 00
Foreign service retirement fund	3 985	12 087 000 00		12 087 000 00
Government life insurance fund	3 500	1, 286, 500, 000 00		1, 286 500 000. 00
Mutual mortgage insurance fund	2 000	4, 000 000 00		4 000 000 00
National service life insurance fund	[4] 3 000	6 934 685 000 00		6 934, 685 000 00

Footnotes at end of table

TABLE 19.—*Summary of public debt and guaranteed obligations, by security classes, June 30, 1948*—Continued

Class of security	Computed rate of interest [1]	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of daily Treasury statement [2]	Amount outstanding on basis of daily Treasury statement
PUBLIC DEBT—Continued				
Interest-bearing public debt—Continued				
Special issues—Continued	*Percent*			
Postal Savings System	2.000	$1, 909 000, 000. 00		$1 909, 000 000. 00
Railroad retirement account	3 000	1, 374, 500 000 00		1, 374 500 000 00
Unemployment trust fund	2. 125	7 500, 000, 000 00		7 500 000 000 00
Total special issues	2. 588	30 211 242 000 00		30 211 242, 000 00
Total interest-bearing public debt	2 182	249 970 917 694. 73	+$92, 430, 684. 65	250, 063 348 379 38
Matured debt on which interest has ceased		388, 610, 355 26	−108, 858 625. 00	279, 751 730 26
Debt bearing no interest				
International Bank and Monetary Fund		1 226 785 000 00		1 226, 785, 000. 00
Other		722, 456, 870 10	−95 466 75	722, 361 403 35
Total gross public debt		252, 308, 769 920 09	−16, 523 407 10	252 292, 246, 512. 99
GUARANTEED OBLIGATIONS NOT OWNED BY THE TREASURY				
Interest-bearing debt				
Commodity Credit Corporation	1 430	36, 250, 049 09	+5, 453 408 15	41, 703 457 24
Federal Housing Administration	2 692	27 064, 586 23		27 064 586. 23
Total *interest-bearing guaranteed* debt	1 971	63 314, 635 32	+5, 453 408 15	68, 768 043 47
Matured debt on which interest has ceased		4 685, 450 00	+7 325 00	4, 692, 775. 00
Total guaranteed obligations not owned by the Treasury		68, 000 085. 32	+5, 460 733 15	[4] 73 460, 818 47
Total gross public debt and guaranteed obligations	—	252, 376, 770, 005 41	−11 062 673. 95	252, 365 707 331 46

1 Based on daily Treasury statements
2 Adjustment is occasioned by items in transit on June 30 1948 not shown in daily Treasury statement
3 Computed on true discount basis
4 For details, see table 21

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*

[On basis of Public Debt accounts [12] see p 393]

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST BEARING DEBT									
Public issues									
Marketable									
Treasury bills (maturity value) series maturing and approximate yield to maturity (%) [8]									
July 1 1948—0 996	(1)	(a)	Apr 1 1948	July 1 1948	Sold at a discount payable at par on maturity	99 748 Cash Exchange	$475 487 000 00 724, 775 000 00		$1 200 262 000 00
July 8, 1948—0 997	(1)	(a)	Apr 8 1948	July 8, 1948		99 748 Cash Exchange	670 471 000 00 534, 996, 000 00		1 205, 467 000 00
July 15 1948—0 998	(1)	(a)	Apr 15 1948	July 15 1948		99 748 Cash Exchange	476 492 000 00 530 095, 000 00		1 006, 587 000 00
July 22, 1948—0 997	(1)	( )	Apr 22 1948	July 22 1948		99 748 Cash Exchange	559 017 000 00 442, 559 000 00		1 001 576 000 00
July 29 1948—0 997	(1)	(a)	Apr 29 1948	July 29 1948		99 748 Cash Exchange	526, 317 000 00 479 332 000 00		1 005 649 000 00
Aug 5 1948—0 998	(1)	(a)	May 6 1948	Aug 5 1948		99 748 Cash Exchange	514, 075 000 00 391, 375 000 00		905 450 000 00
Aug 12 1948—0 998	(1)	( )	May 13, 1948	Aug 12 1948		99 748 Cash Exchange	537 735 000 00 467 890, 000 00		1, 005, 625, 000 00
Aug 19 1948—0 997	(1)	(a)	May 20 1948	Aug. 19 1948		99 748 Cash Exchange	484 989 000 00 519 002, 000 00		1 003 991 000 00
Aug 26 1948—0 997	(1)	(a)	May 27 1948	Aug 26 1948		99 748 Cash Exchange	518 096, 000 00 589 714, 000 00		1 107 810, 000 00
Sept 2 1948—0 997	(1)	(a)	June 3 1948	Sept 2 1948		99 748 Cash Exchange	470 482, 000 00 630 225 000 00		1 100 707 000 00
Sept 9 1948—0 998	(1)	(a)	June 10 1948	Sept 9, 1948		99 748 Cash Exchange	508 246, 000 00 596, 261 000 00		1 104, 507 000 00
Sept 16 1948—0 998	(1)	( )	June 17 1948	Sept 16 1948		99 748 Cash Exchange	543, 772 000 00 559 859 000 00		1 103 631 000 00
Sept 23 1948—0 998	(1)	(a)	June 24, 1948	Sept 23 1948		99 748 Cash Exchange	481 973 000 00 524, 022, 000 00		1 005 995, 000 00
Total Treasury bills							13 757 257 000 00		13, 757 257 000 00

Footnotes at end of table

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Marketable—Continued									
Certificates of indebtedness									
⅞% Series F–1948	(1)	(5)	July 1, 1947	July 1 1948	July 1 1948	Exchange at par	$2,741,964,000.00		$2,741,964,000.00
⅞% Series G–1948	(1)	(5)	Aug 1, 1947	do	do	do	1,126,672,000.00		1,126,672,000.00
⅞% Series H–1948	(1)	(5)	Sept 1, 1947	do	do	do	2,209,163,000.00		2,209,163,000.00
1% Series J–1948	(1)	(5)	Oct 1, 1947	Oct 1 1948	Oct 1 1948	do	1,353,966,000.00		1,353,966,000.00
1% Series K–1948	(1)	(5)	Nov 1 1947	do	do	do	1,467,076,000.00		1,467,076,000.00
1⅛% Series A–1949	(1)	(5)	Jan 1, 1948	Jan. 1, 1949	Jan. 1 1949	do	2,591,911,000.00		2,591,911,000.00
1⅛% Series B–1949	(1)	(5)	Feb 1, 1948	Feb 1, 1949	Feb 1 1949	do	2,188,813,000.00		2,188,813,000.00
1⅛% Series C–1949	(1)	(5)	Mar 1, 1948	Mar 1 1949	Mar 1 1949	do	3,553,156,000.00		3,553,156,000.00
1⅛% Series D–1949	(1)	(5)	Apr 1 1948	Apr 1, 1949	Apr 1 1949	do	1,054,836,000.00		1,054,836,000.00
1⅛% Series E–1949	(1)	(5)	June 1 1948	June 1 1949	June 1 1949	do	4,300,595,000.00		4,300,595,000.00
Total certificates of indebtedness							22,588,152,000.00		22,588,152,000.00
Treasury notes									
1½% Series A–1948	(1)	(5)	Mar 15, 1944	Sept 15 1948	Mar and Sept 15	Exchange at par	3,747,702,000.00		3,747,702,000.00
1% Series B–1948	(1)	(5)	Sept 15 1947	Oct 1 1948	Oct 1 1948	do	4,092,050,000.00		4,092,050,000.00
1⅜% Series A–1949	(1)	(5)	Dec. 1 1947	Jan 1, 1949	Jan. 1, 1949	do	3,534,818,000.00		3,534,818,000.00
Total Treasury notes							11,374,570,000.00		11,374,570,000.00
Treasury bonds									
2¼% of 1948	(1)	(4)	Mar 15 1938	On Sept 15, 1948	Mar and Sept 15	Par	450,978,400.00		450,978,400.00
2% of 1948–50 (dated Dec 8, 1939)	(1)	( )	Dec 8, 1939	On and after Dec 15 1948 on Dec 15 1950	June and Dec 15	do	571,431,150.00		571,431,150.00
2% of 1949–51 (dated Jan. 15, 1942)	(1)	(5)	Jan 15, 1942	On and after June 15, 1949 on June 15, 1951	do	do	607,631,200.00		
						Exchange at par	406,387,700.00		
							1,014,018,900.00		1,014,018,900.00
2% of 1949–51 (dated May 15, 1942)	(1)	(5)	May 15 1942	On and after Sept. 15 1949 on Sept 15, 1951	Mar and Sept. 15	Par	1,292,444,100.00	$500.00	1,292,443,600.00
2% of 1949–51 (dated July 15, 1942)	(1)	(5)	July 15 1942	On and after Dec 15 1949 on Dec 15 1951	June and Dec 15	do	2,097,617,600.00	2,500.00	2,097,615,100.00

3⅛% of 1949–52	(1)	( )	Dec 15 1934	On and after Dec 15 1949 on Dec 15 1952	do	do	491 377 100 00	2,000 00	491 375,100 00
2½% of 1949–53	(1)	( )	Dec 15, 1936	On and after Dec 15 1949 on Dec 15 1953	do	do	1 006 641 950.00		
						Exchange at par	779 862,100.00		
							1 786 504,050.00	378,100 00	1 786,125 950.00
2% of 1950–52 (dated Oct 19 1942)	(1)	(5)	Oct. 19, 1942	On and after Mar 15 1950 on Mar 15 1952	Mar and Sept 15	Par	1 962 688,300 00		1,962,688,300 00
2½% of 1950–52	(1)	( )	Sept 15, 1938	On and after Sept 15 1950 on Sept 15, 1952.	do	do	461 690,100 00		
						Exchange at par	404,707,100 00		
						Exchange at $102 50	319 444,500 00		
							1 185 841 700 00	500.00	1 185 841 200 00
2% of 1950–52 (dated Apr 15, 1943)	(1)	(5)	Apr 15, 1943	On and after Sept 15 1950 on Sept 15 1952	do	Par	4,939 261 000.00	2,500.00	4,939 258,500 00
1½% of 1950	(1)	(5)	June 1, 1945	On Dec 15 1950	June and Dec 15	do	2 635,441 500 00	2,500.00	2,635 439,000.00
2¾% of 1951–54	(1)	( )	June 15 1936	On and after June 15 1951 on June 15 1954	do	do	670 846 550.00		
						Exchange at par	955,841 600.00		
							1 626,688 150 00	2,000 00	1,626 686,150 00
3% of 1951–55	(1)	(4)	Sept 15 1931	On and after Sept 15 1951 on Sept 15 1955	Mar and Sept 15	Par	800,424,000.00	44,995 000 00	755 429 000.00
2% of 1951–53	(1)	(5)	Sept 15 1943	On and after Sept 15 1951 on Sept. 15 1953	do	do	6,884,359 000.00		
						Exchange at par	1 101 903 500.00		
							7 986,262,500 00	2,000 00	7 986 260 500.00
2¼% of 1951–53	(1)	( )	Dec 22 1939	On and after Dec 15 1951 on Dec 15 1953	June and Dec 15	Par	100,000,000.00		
						Exchange at par	1 018 051 100 00		
							1 118,051 100 00		1 118,051 100 00
2% of 1951–55	(1)	(5)	Dec 15 1941	On and after Dec 15 1951 on Dec 15, 1955	do	Par	532,687 950 00	22,274,500 00	510,413 450 00
2½% of 1952–54	(1)	(5)	Mar 31 1941	On and after Mar 15 1952 on Mar 15 1954	Mar and Sept 15	do	576 145 150 00		
						Exchange at par	447 423,200 00		
							1 023 568,350 00		1 023,568 350 00
2¼% of 1952–55	(1)	(5)	Feb 25 1942	On and after June 15 1952 on June 15, 1955	June and Dec 15	Par	1 510 795,300 00	10,014,000.00	1 500,781 300.00

Footnotes at end of table.

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Marketable—Continued									
Treasury bonds—Con.									
2% of 1952-54 (dated June 26 1944)	(1)	(5)	June 26, 1944	On and after June 15 1952 on June 15 1954	June and Dec 15	Par	$5 825,482 000.00	$1 500 00	$5 825,480 500.00
2% of 1952-54 (dated Dec 1 1944)	(1)	(5)	Dec 1 1944	On and after Dec 15 1952 on Dec 15 1954	do	do Exchange at par	7 922 077 000 00 739 900,500.00		
							8 661 977 500 00	3 000 00	8,661 974 500 00
2% of 1953-55	(1)	( )	Oct 7 1940	On and after June 15 1953 on June 15 1955	do	do	724,677 900 00		724,677 900 00
2¼% of 1954-56	(1)	( )	July 22, 1940	On and after June 15 1954 on June 15, 1956.	do	Par	680,692,350 00		680,692 350 00
2⅞% of 1955-60	(1)	( )	Mar 15 1935	On and after Mar 15 1955, on Mar 15 1960	Mar and Sept 15	Exchange at par and $100.50 $101 59375 $101 56250 $100 78125	2,304,429 200.00 101 971 000 00 106 541 000 00 98,215,000.00		
							2 611 156 200 00	65 050 00	2,611 091 150 00
2½% of 1956-58	(1)	(5)	June 2 1941	On and after Mar 15 1956 on Mar 15 1958.	do	Par Exchange at par	661 750 800 00 786 996 850 00		
							1 448,747 650.00	1 000 00	1 448 746 650 00
2¾% of 1956-59	(1)	( )	Sept 15, 1936	On and after Sept 15, 1956 on Sept 15 1959	do	Par	981 848 050 00	22,000 00	981 826,050.00
2¼% of 1956-59	(1)	(5)	Feb 1 1944	On and after Sept 15, 1956 on Sept 15 1959 [6]	do	do Exchange at par	3 727 687 000 00 94,871 500 00		
							3 822,558 500 00		3 822 558 500 00

2¾% of 1958–63	(1)	( )	June 15 1938	On and after June 15 1958 on June 15 1963	June and Dec 15	do	918 780 600 00	-	918 780, 600.00
2¼% of 1959–62 (dated June 1 1945)	(1)	(5)	June 1 1945	On and after June 15 1959 on June 15 1962 [6]	do	Par -	5 284, 068, 500 00	500 00	5 284, 068, 000.00
2¼% of 1959–62 (dated Nov 15 1945)	(1)	(5)	Nov 15 1945	On and after Dec 15, 1959 on Dec 15 1962 [6]	do	do	3, 469 671 000 00	23, 500 00	3 469, 647 500 00
2¾% of 1960–65	(1)	(6)	Dec 15 1938	On and after Dec 15 1960 on Dec 15 1965	do	do Exchange at par Exchange at $102 375	402 892, 800 00 188 196 700 00 894, 295 600 00	- -	
							1 485, 385 100 00	500 00	1, 485, 384, 600 00
2½% of 1962–67	(1)	(5)	May 5, 1942 -	On and after June 15 1962 on June 15 1967 [6]	June and Dec 15	Par -	2, 118 164, 500 00	16 000.00	2, 118 148, 500 00
2½% of 1963–68 -	(1)	(5)	Dec 1, 1942	On and after Dec 15 1963 on Dec 15 1968 [6]	do	do	2, 830 914, 000 00	61, 000.00	2 830, 853, 000 00
2½% of 1964–69 (dated Apr 15 1943)	(1)	(5)	Apr 15, 1943	On and after June 15, 1964 on June 15 1969 [6]	do	do - -	3, 761 904, 000 00	542, 000 00	3, 761 362, 000 00
2½% of 1964–69 (dated Sept 15, 1943)	(1)	(5)	Sept 15 1943	On and after Dec 15 1964 on Dec 15 1969 [6]	do	do Exchange at par	3, 778, 754 000 00 59 444 000 00		
							3 838, 198, 000 00	58 500 00	3, 838 139 500.00
2½% of 1965–70 -	(1)	(5)	Feb 1 1944	On and after Mar 15 1965 on Mar 15 1970 [6]	Mar and Sept 15	Par Exchange at par	5 120, 861 500 00 76, 533 000 00		-
							5, 197 394, 500.00	188, 000 00	5, 197 206 500.00
2½% of 1966–71 --	(1)	(5)	Dec 1 1944	On and after Mar 15, 1966 on Mar 15, 1971 [6]	do	Par Exchange at par	3, 447 511 500 00 33 353, 500 00	-	
							3, 480 865, 000 00	10, 500 00	3 480, 854, 500 00
2½% of 1967–72 (dated June 1 1945)	(1)	(5)	June 1 1945	On and after June 15 1967 on June 15, 1972 [6]	June and Dec 15	Par	7, 967, 261 000 00	16, 000.00	7, 967, 245, 000 00
2½% of 1967–72 (dated Oct 20 1941)	(1)	(5)	Oct 20 1941	On and after Sept 15, 1967 on Sept 15, 1972	Mar and Sept 15	do Exchange at par	2, 527 073 950 00 188 971 200 00		-
							2 716 045 150 00	7 500 00	2, 716, 037 650 00
2½% of 1967–72 (dated Nov 15 1945)	(1)	(5)	Nov 15 1945	On and after Dec 15, 1967, on Dec 15 1972 [6]	June and Dec 15	Par	11 688, 868, 500 00	22, 500 00	11 688, 846 000.00
Total Treasury bonds -						,	112, 540 741 150 00	78 715 150 00	112, 462, 026 000 00

Footnotes at end of table

TABLE 20 —*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—*Continued*									
Marketable—Continued									
Other bonds.									
3% Panama Canal loan of 1961.	(2)	(4)	June 1 1911	On June 1 1961	Mar, June Sept, and Dec 1	$102 582	$50 000 000 00	$200 000 00	$49 800 000 00
2½% Postal Savings bonds (35th to 49th series)	(3)	(4)	*July 1 1928*, and Jan 1 July 1 1929–35	1 year from date of issue 20 years from date of issue.	Jan and July 1	Par	114, 316 560 00	5 320 00	114, 311 240 00
Total other bonds							164, 316, 560 00	205 320. 00	164, 111 240 00
Total marketable							160, 425 036, 710. 00	78 920 470 00	160 346 116, 240 00
Nonmarketable									
Treasury savings notes Series and approximate yield to maturity (%)			First day of each *month*	Redeemable in payment of Federal income estate, or gift taxes after one full calendar month has elapsed between month notes were purchased and month in which tendered for taxes Redeemable for cash at any time at option of owner during and after the sixth calendar month after the	Interest is payable with principal at time of redemption No interest is payable if note is inscribed in the name of a bank that accepts demand deposits unless note is acquired by such bank through forfeiture of a loan				
C-1948—1 07	(1)	(5)	July to Dec 1945			do	2 238, 472, 500. 00	1 638, 808, 700 00	599 663 800. 00
C-1949—1 07	(1)	(5)	Jan to Dec 1946			do	2, 723 490 600 00	1 507 495 800 00	1 215 994 800. 00
C-1950—1 07	(1)	(5)	Jan. to Dec. 1947			do	2, 905 000 300. 00	1 061, 115, 200 00	1 843, 885 100 00
C-1951—1 07	(1)	(5)	Jan. to June 1948			do	785 158, 600 00	96, 688, 000 00	688, 470 600 00

				month of issue as shown on the face of each note.					
Total Treasury savings notes			- -	-	- - -	- - --	8 652, 122, 000 00	4, 304, 107 700. 00	4 348 014, 300 00
U S savings bonds.[7] Series and approximate yield to maturity (%)			First day of each month						
C-1938—2.90	(1)	( )	July to Dec 1938	After 60 days from issue date on demand at option of owner 10 years from issue date	Sold at a discount payable at par on maturity	$75 00 - -	310, 009 463 00	78, 737 133 50	231 272, 329 50
D-1939—2 90	(1)	(c)	Jan to Dec 1939	do	do —	75 00 -	1 053, 104 436 50	231 287, 651 00	821, 816 785. 50
D-1940—2 90	(1)	( )	Jan to Dec 1940	do	do	75 00	1 240 535, 390 75	251 129 421 00	989 405 969 75
D-1941—2 90	(1)	(c)	Jan and Feb 1941	do	do -	75 00 - -	392 729, 873 75	68 128, 872 25	324, 601 001 50
D-1941—2 90	(1)	(5)	Mar and Apr 1941	do	do — -	75 00 - -	136 119 937 00	30 809 650 50	105 310 286. 50
Total Series C-1938 and D - - ---		-	-	-	-	- -	3 132, 499 101 00	660 092 728 25	2 472, 406, 372. 75
E-1941—2 90	(1)	(5)	May to Dec. 1941	do -	do— -	75 00 - -	1 505 576 218. 30	377 603, 447 30	1 127 972, 771 00
E-1942—2 90	(1)	(5)	Jan to Dec. 1942	- do	do — -	75 00	6 723, 027 847 57	2, 578, 332, 384 22	4, 144, 695, 463 35
E-1943—2 90	(1)	(5)	Jan to Dec. 1943	do	do - -	75 00	10 995 081 510 74	4, 964, 153 249 21	6, 030 928, 261 53
E-1944—2 90	(1)	(5)	Jan to Dec 1944.	do	do -	75 00	12, 842 951 853 12	5 939, 536, 490 72	6, 903 415 362. 40
E-1945—2 90	(1)	(5)	Jan. to Dec 1945	- do -	do	75 00 -	9 995 674, 194. 57	4, 449 209 426 52	5 546, 464, 768. 05
E-1946—2 90	(1)	(5)	Jan to Dec 1946	do	do -	75 00	4, 381 430 091 03	1, 456, 355 072. 95	2 925, 075, 018 08
E-1947—2 90	(1)	(5)	Jan to Dec 1947	- - do	do	75 00	4, 060 389 475 69	844 390 623 12	3 215 998 852 57
E-1948—2 90	(1)	(5)	Jan to June 1948	- do	do	75 00	1, 899, 950, 978. 75	109, 900, 117 50	1 790 050 861 25
Total Series E			--	-- -	- - ---	--- - -	52 404, 082 169 77	20 719 480 811 54	31, 684 601 358. 23

Footnotes at end of table

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Nonmarketable—Con.									
U S savings bonds [7]—Continued									
Series and approximate yield to maturity (%)—Con									
F-1941—2.53	(7)	(6)	First day of each month May to Dec 1941	After 6 months from issue date, on demand at option of owner on 1 month's notice 12 years from issue date	Sold at a discount payable at par on maturity	$74.00	$258,839 985 79	$54,709 357 24	$204 130,628 55
F-1942—2.53	(7)	(6)	Jan to Dec. 1942	do	do	74 00	705 638,503.69	179 254,853 33	526 383 650.36
F-1943—2 53	(7)	(6)	Jan to Dec. 1943	do	do	74.00	773 353 566 38	203 402,325 08	569 951 241 30
F-1944—2 53	(7)	(6)	Jan to Dec 1944	do	do	74 00	806 601 620 17	155 806 086 51	650 795 533 66
F-1945—2.53	(7)	(6)	Jan to Dec. 1945	do	do	74 00	608,191 789 32	86 620,234 53	521 571 554.79
F-1946—2.53	(7)	(6)	Jan. to Dec. 1946	do	do	74.00	331 457 821 10	32,505 384.38	298 952,436 72
F-1947—2.53	(7)	(6)	Jan. to Dec 1947	do	do	74 00	340,061 277 15	13 256,997 05	326,804,280 10
F-1948—2.53	(7)	(6)	Jan to June 1948	do	do	74.00	154,603 945 00	71 965 00	154,531 980 00
Total Series F							3,978,748,508.60	725 627 203 12	3 253,121 305 48
G-1941—2 50	(7)	(6)	May to Dec 1941	do	Semiannually	Par	1,277 267 700 00	172,439 500 00	1 104,828,200 00
G-1942—2.50	(7)	(6)	Jan to Dec 1942	do	do	do	2,493 044,200 00	374 515 100 00	2,118 529 100 00
G-1943—2.50	(7)	(6)	Jan. to Dec 1943	do	do	do	2,598,111 500 00	399 631 400.00	2,198 480 100 00
G-1944—2.50	(7)	(6)	Jan to Dec. 1944	do	do	do	2,894,065,500 00	362,153 600 00	2,531 911,900 00
G-1945—2.50	(7)	(6)	Jan to Dec. 1945	do	do	do	2,542,230 900 00	243 959 100.00	2,298 271 800.00
G-1946—2.50	(7)	(6)	Jan. to Dec. 1946	do	do	do	2,663 795 100 00	182,910 000 00	2 480 885 100 00
G-1947—2 50	(7)	(6)	Jan to Dec 1947	do	do	do	2,247 116,900 00	67 729 000 00	2,179 387 900 00

G–1948—2.50	(1)	(5)	Jan. to June 1948	do	do	do	930 542,500 00	257 500 00	930,285 000 00
Total Series G							17 646,174 300 00	1 803 595 200.00	15 842,579 100 00
Unclassified sales and redemptions -							116,808 352 53	140 564,534.26	[illegible] 23 756,181 73
Total U S savings bonds -							77 278,312,431 90	24 049 360 477 17	53 228 951 954.73
Depositary bonds 2% First Series	(1)	(5)	Various dates from June 28, 1941	At any time upon 30 to 60 days notice on demand at option of owner 12 years from issue date	June and Dec 1	Par	612,154,750 00	399 801 250 00	212,353 500 00
2% Second Series	(1)	(5)	Various dates from Sept 10 1943	do	Jan and July 1	do	137 579 500 00	33,579 000.00	104,000 500 00
Total depositary bonds -			-				749 734,250 00	433 380,250.00	316 354,000 00
Armed forces leave bonds									
Series 1943	(1)	( )	July 1 1943	Upon death of holder or at any time in payment of premiums or in payment of difference in reserve in case of conversion to insurance on an other plan or in payment of a policy loan made prior to July 31 1946 on a U S Government life insurance policy or a national service life insurance policy 5 years from date of loan	Interest with principal is paid at time of redemption	Par	6 887 375 00	4 860 475 00	2 026 900 00
			Oct 1 1943			do	10 979 125 00	8,147 700.00	2,831 425 00
Series 1944	(1)	( )	Jan 1 1944			do	10,790 000.00	8,129 875 00	2 660 125 00
			Apr 1 1944			do	8 910 650 00	6 453 325 00	2,457 325 00
			July 1 1944			do	9 707 325 00	6 743 325 00	2,964,000 00
			Oct 1 1944			do	11 618 450.00	8,385 975.00	3 232 475 00
Series 1945	(1)	( )	Jan. 1 1945			do	23 230 750.00	17 442,600 00	5 788,150 00
			Apr 1 1945			do	21 055 400 00	15,669 450 00	5 385,950 00
			July 1 1945			do	66,228 250 00	49 954,250.00	16 274,000 00
			Oct 1 1945			do	260 746,150 00	193 482,625 00	67 263 525.00
Series 1946	(1)	( )	Jan 1 1946			do	883 600 575.00	646 557 775 00	237 042,800 00
			Apr 1 1946			do	427 251 325 00	312 196,500 00	115 054 825 00
			July 1 1946			do	153 695 675 00	112 750,225 00	40 945 450 00
			Oct 1 1946			do	181 341 075 00	116 682,000 00	64 659,075 00
Unclassified issues and redemptions							97 350 00	7 794,175 00	[illegible] 7 696 825 00
Total armed forces leave bonds		-	-				2 076,139 475 00	1 515,250 275 00	560 889 200 00

Footnotes at end of table

TABLE 20 —*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Nonmarketable—Con. Treasury bonds, investment series									
2½% Series A–1965	(1)	([illegible])	Oct 1, 1947	On and after Apr 1 1948, on demand at option of owner on 1 month s notice on Oct 1, 1965	Apr 1 Oct 1	Par	$969, 960 000 00	$10 610 000 00	$959 350 000 00
Total nonmarketable							89 726 268, 156 90	30 312, 708, 702. 17	59 413 559, 454. 73
Total public issues							250, 151 304, 866. 90	30 391, 629 172. 17	219 759 675, 694. 73
Special issues									
Adjusted service certificate fund									
4% Series 1949 (certificates)	(1)	(')	Jan. 1, 1948	On demand on Jan 1 1949	Jan 1	do	6, 000, 000. 00	200, 000 00	5, 800 000. 00
Alaska Railroad retirement fund (notes)			Various dates from	Redeemable after 1 year from date of issue and payable					
4% Series 1949	(1)	(')	June 30 1944	On June 30 1949	June 30	do	384, 000 00		384, 000 00
4% Series 1950	(1)	(')	June 30, 1945	On June 30 1950	do	do	557 000. 00		557 000. 00
4% Series 1951	(1)	(')	June 30, 1946	On June 30, 1951	do	do	637 000. 00		637, 000. 00
4% Series 1952	(1)	(')	June 30 1947	On June 30, 1952	do	do	1 027 000. 00		1, 027 000 00
4% Series 1953	(1)	(')	June 30, 1948	On June 30 1953	do	do	465 000. 00		465 000 00

Canal Zone Postal Savings System (notes)			Various dates from						
2% Series 1951	(1)	(2)	June 30 1946	On June 30 1951	June 30 Dec 31	do	1 000 000.00		1,000,000.00
2% Series 1952	(1)	(2)	June 30, 1947	On June 30 1952	do	do	1,250 000 00		1,250 000 00
2% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	750,000 00		750 000 00
Canal Zone retirement fund (notes)			Various dates from						
4% Series 1949	(1)	(2)	June 30 1944	On June 30 1949	June 30	do	1 833,000.00		1,833,000,00
4% Series 1950	(1)	(2)	June 30, 1945	On June 30, 1950	do	do	2,377 000.00		2,377 000 00
4% Series 1951	(1)	(2)	June 30 1946	On June 30 1951	do	do	4,477 000.00		4 477 000.00
4% Series 1952	(1)	(2)	June 30 1947	On June 30 1952	do	do	2,727 000 00		2,727 000 00
4% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	1,510 000.00		1 510 000 00
			Various dates from						
3% Series 1949	(1)	(2)	Oct 7 1944	On June 30, 1949	do	do	57 000 00	27 000.00	30 000 00
3% Series 1950	(1)	(2)	June 30 1945	On June 30 1950	do	do	29 000 00		29 000 00
3% Series 1951	(1)	(2)	June 30, 1946	On June 30 1951	do	do	65 000 00		65,000 00
3% Series 1952	(1)	(2)	June 30 1947	On June 30 1952	do	do	62,000 00		62,000 00
3% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	17 000 00		17 000.00
Civil service retirement fund (notes)			Various dates from						
4% Series 1949	(1)	(2)	June 30 1944	On June 30 1949	June 30	do	509 100,000 00		509 100 000.00
4% Series 1950	(1)	(2)	June 30 1945	On June 30 1950	do	do	529 000 000 00		529 000 000 00
4% Series 1951	(1)	(2)	June 30 1946	On June 30 1951	do	do	479 043 000 00		479 043,000 00
4% Series 1952	(1)	(2)	June 30 1947	On June 30 1952	do	do	705,330 000 00		705,330 000 00
4% Series 1953	(1)	(2)	June 30, 1948	On June 30 1953	do	do	564,900 000.00		564,900 000 00
			Various dates from						
3% Series 1949	(1)	(2)	June 30 1944	On June 30 1949	do	do	942,000 00		942,000 00
3% Series 1950	(1)	(2)	June 30 1945	On June 30, 1950	do	do	1 429,000 00		1,429,000 00

Footnotes at end of table

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Special issues—Continued									
Civil service retirement fund (notes)—Con				Redeemable after 1 year from date of issue and payable.					
3% Series 1951	(1)	(7)	Various dates from June 30 1946	On June 30 1951	June 30	Par	$2 357 000 00		$2,357 000.00
3% Series 1952	(1)	(7)	June 30 1947	On June 30 1952	do	do	2,158,000 00		2,158 000 00
3% Series 1953	(1)	(7)	June 30 1948	On June 30, 1953	do	do	352 000.00		352,000 00
Farm tenant mortgage insurance fund (notes)									
2% Series 1952	(1)	(7)	Mar 18 1948	On Dec 31 1952	June 30 Dec 31	do	1 000 000 00		1 000 000 00
Federal Deposit Insurance Corporation (notes)									
2% Series 1951	(1)	(7)	Various dates from Dec 26, 1946	On Dec. 1 1951	June 1 Dec. 1	do	516 000 000 00	$72,000 000 00	444 000,000 00
2% Series 1952	(1)	(7)	Jan 19, 1948	On Dec 1 1952	do	do	105,000 000 00		105 000 000.00
Federal home loan banks (notes)									
1½% Series 1952	(1)	(7)	Jan. 30 1948	On June 30 1952	June 30 Dec 31	do	42,800 000 00	5,400 000 00	37 400 000 00
Federal old-age and survivors insurance trust fund (certificates)									
2% Series 1949	(1)	(7)	June 30 1948	On demand on June 30 1949	do	do	7 709 000 000 00		7 709 000 000.00
Federal Savings and Loan Insurance Corporation (notes)				Redeemable after 1 year from date of issue and payable					
2% Series 1949	(1)	(7)	Various dates from Aug, 18 1944	On June 30 1949	do	do	10,300,000 00		10,300 000 00
2% Series 1950	(1)	(7)	July 2 1945	On June 30 1950	do	do	12 000 000 00		12,000 000 00
2% Series 1951	(1)	(7)	July 2, 1946	On June 30 1951	do	do	13,250 000.00		13 250 000 00
2% Series 1952	(1)	(7)	June 30 1947	On June 30 1952	do	do	18,112,000 00		18,112,000 00

2% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	20 800 000 00		20 800 000 00
Foreign service retirement fund (notes)			Various dates from						
4% Series 1949	(1)	(2)	June 30, 1944	On June 30 1949	June 30	do	1 639,000 00		1 639 000.00
4% Series 1950	(1)	(2)	June 30 1945	On June 30 1950	do	do	2,422,000 00		2,422 000 00
4% Series 1951	(1)	(2)	June 30, 1946	On June 30, 1951	do	do	2,371 000.00		2,371 000.00
4% Series 1952	(1)	(2)	June 30 1947	On June 30 1952	do	do	3,680 000 00		3,680,000 00
4% Series 1953	(1)	(2)	June 30, 1948	On June 30 1953	do	do	1 790,000 00		1 790 000.00
			Various dates from						
3% Series 1949	(1)	(2)	May 28 1945	On June 30 1949	do	do	6 000.00		6,000 00
3% Series 1950	(1)	(2)	June 30 1945	On June 30 1950	do	do	44,000 00		44,000 00
3% Series 1951	(1)	(2)	June 30, 1946	On June 30 1951	do	do	31 000 00		31,000 00
3% Series 1952	(1)	(2)	June 30 1947	On June 30, 1952	do	do	94 000 00		94 000 00
3% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	10 000 00		10 000 00
Government life insurance fund (certificates)									
3½% Series 1949	(1)	(2)	June 30 1948	On demand on June 30, 1949	do	do	1 286,500,000 00		1 286,500.000 00
Mutual mortgage insurance fund (notes)			Various dates from	Redeemable after 1 year from date of issue and payable					
2% Series 1952	(1)	(2)	Aug 29 1947	On June 30 1952	June 30 Dec 31	do	6 500 000 00	2,500 000 00	4,000 000 00
National service life insurance fund (notes)									
3% Series 1949	(1)	(2)	June 30 1944	On June 30 1949	June 30	do	1,901,000,000.00		1,901,000,000.00
3% Series 1950	(1)	(2)	June 30 1945	On June 30 1950	do	do	2,044,500,000.00		2,044 500 000 00
3% Series 1951	(1)	(2)	June 30 1946	On June 30 1951	do	do	1 223,000 000 00		1 223,000,000 00
3% Series 1952	(1)	(2)	June 30 1947	On June 30 1952	do	do	745 485 000 00		745 485 000.00
3% Series 1953	(1)	(2)	June 30 1948	On June 30 1953	do	do	1 020 700 000.00		1 020 700 000 00

Footnotes at end of table

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST BEARING DEBT—Continued									
Special issues—Continued									
Postal Savings System (notes)			Various dates from	Redeemable after 1 year from date of issue and payable					
2% Series 1950	(1)	(7)	July 3 1945	On June 30 1950	June 30 Dec 31	Par	$618 000,000 00	$419 000,000 00	$199 000,000 00
2% Series 1951	(1)	(7)	July 3 1946	On June 30, 1951	do	do	820,000 000 00		820 000 000.00
2% Series 1952	(1)	(7)	June 30, 1947	On June 30 1952.	do	do	890,000,000 00		890,000,000 00
Railroad retirement account (notes)									
3% Series 1950	(1)	(7)	June 30, 1945	On June 30, 1950	June 30	do	304,000 000 00	57,500 000 00	246 500,000.00
3% Series 1951	(1)	(7)	June 30 1946	On June 30, 1951	do	do	315 000 000 00		315,000 000.00
3% Series 1952	(1)	(7)	June 30 1947	On June 30, 1952	do	do	778,000 000 00		778,000,000 00
3% Series 1953	(1)	(7)	June 30 1948	On June 30 1953	do	do	35 000 000 00		35,000,000 00
Unemployment trust fund (certificates)									
2⅛% Series 1949	(1)	(7)	June 30 1948	On demand on June 30 1949	June 30, Dec 31	do	7,500,000 000 00		7 500,000,000 00
Total special issues							30,767 869 000 00	556 627 000 00	30,211 242,000 00
Total interest-bearing debt							280 919,173,866.90	30,948 256 172 17	249 970 917 694.73

MATURED DEBT ON WHICH INTEREST HAS CEASED									
Old debt matured—issued prior to April 1 1917 [9]	(4)								1 407 140 26
2½% Postal Savings bonds	(3)								85,640 00
Liberty bonds and Victory notes, at various interest rates	(4)								11 142 500 00
Treasury bonds, at various interest rates	(1)								90,503 750 00
Adjusted service bonds of 1945	(1)								11,298,050 00
Treasury notes, at various interest rates	(1)								23,252,200 00
Treasury tax notes	(1)								3 340,850 00
Treasury savings notes	(1)								76 981 800 00
Certificates of indebtedness at various interest rates.	(1)								42,059 750 00
Treasury bills	(1)								2,651 000 00
Treasury savings certificates.	(1)								128,975 00
U S savings bonds	(1)								124,893,700 00
Armed forces leave bonds	(1)								855,000 00
Total matured debt on which interest has ceased									388,610,355.26

Footnotes at end of table.

TABLE 20.—*Description of public debt issues outstanding June 30, 1948*—Continued

Title of loan and rate of interest	Amount issued	Amount retired	Amount outstanding
DEBT BEARING NO INTEREST			
Special notes of the United States (issued pursuant to the provisions of the Bretton Woods Agreements Act approved July 31 1945 and under the authority of and subject to the provisions of the Second Liberty Bond Act as amended The notes are nonnegotiable bear no interest, and are payable on demand)			
International Bank for Reconstruction and Development series:			
Series dated Nov 21 1946			$48 285,000.00
Series dated Feb 24 1947			8,750 000.00
Series dated May 23 1947			8,750 000.00
Total			65,785,000 00
International Monetary Fund series			
Series dated Feb 26, 1947			1 161 000,000 00
United States savings stamps (Public Debt Act of 1942)			58 553,827 96
Excess profits tax refund bonds (issued under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended and sections 780 and 783 inclusive of the Internal Revenue Code as amended Issued in series depending upon the tax years for which credits are available and in amounts certified to the Secretary of the Treasury by the Commissioner of Internal Revenue Bear no interest and are redeemable at yearly intervals after the cessation of hostilities in the war, as provided by section 780 (E) of the Internal Revenue Code, as amended and are redeemable at the option of the owner on or after Jan 1 1946)			
First Series			4 778,177 01
Second Series			4,057 116 22
Total			8 835 293 23
Old demand notes (Acts of July 17, 1861 (12 Stat 259) Aug 5 1861 (12 Stat. 313) Feb 12 1862 (12 Stat 338) Greatest amount ever authorized to be outstanding $60 000 000)	[10] $60 030,000 00		52,917 50
Fractional currency (Acts of July 17 1862 (12 Stat 592) Mar 3 1863 (12 Stat 711) June 30 1864 (13 Stat 220) Greatest amount ever authorized to be outstanding $50 000 000)	[10] 368,724,080 00		[11] 1 968 312 34
Legal tender notes (Acts of Feb 25 1862 (12 Stat 345) July 11 1862 (12 Stat 532) Mar 3 1863 (12 Stat 710) May 31 1878 (*20 Stat. 87*) Mar 14 1900 (31 Stat 45) Mar 4 1907 (34 Stat. 1200) Greatest amount ever authorized to be outstanding $450 000 000)	346 681 016 00		346,681 016 00
Less gold reserve			156 039 430 93
National bank notes (redemption account) (The act of July 14, 1890 (26 Stat 289) provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks and all deposits thereafter received for like purpose shall be covered into the Treasury as a miscellaneous receipt and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption * * * and the balance remaining of the deposits so covered shall, at the close of each month be reported on the monthly public debt statement as debts of the United States bearing no interest Authorized to be outstanding at one time, indefinite)			458,678,851 50
Thrift and Treasury savings stamps unclassified sales etc			3 726 082.50
Total debt bearing no interest			1 949 241 870 10

Gross debt (including \$2,788 924 354 98 debt incurred to finance expenditures of Government corporations for which obligations of such corporations are held by the Treasury)			252, 308 769 920 09
Guaranteed obligations not owned by the Treasury - - -			68 000, 085 32
Total gross public debt and guaranteed obligations - -		- -	252, 376 770 005 41

[1] Sept 24 1917, as amended
[2] Aug 5 1909 Feb 4, 1910 and Mar 2, 1911
[3] June 25 1910
[4] Various
[5] Treasury bills are noninterest bearing and are sold on a discount basis on competitive bids for each issue Average sale price of these series gives an approximate yield on a bank discount basis (360 days a year) as indicated opposite each issue of bills This yield differs slightly from yield on true discount basis (365 days a year) which is shown in table 19
[6] Redeemable at par and accrued interest to date of payment at any time upon death of owner at option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payments of Federal estate taxes due from deceased owner s estate
[7] Amounts issued and retired for Series C to F inclusive include accrued discount amounts outstanding are stated at current redemption values Amounts issued retired and outstanding for Series G are stated at par value
[8] Deduct
[9] For detailed information and amounts outstanding June 30 1929, see table 24 in 1929 annual report, p 456
[10] Includes amounts authorized to be outstanding at present time and amounts issued on deposits including reissues
[11] After deducting amounts officially estimated to have been lost or irrevocably destroyed
[12] For summary on basis of daily Treasury statement see table 19

TAX EXEMPTIONS

[a] Any income derived from Treasury bills, whether interest or gain from their sale or other disposition does not have any exemption as such and loss from the sale or other disposition of any such bills does not have any special treatment as such under the Internal Revenue Code or laws amendatory or supplementary thereto Bills are subject to estate inheritance gift or other excise taxes whether Federal or State but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State or any of the possessions of the United States, or by any local taxing authority For purposes of taxation the amount of discount at which bills are originally sold by the United States is to be considered to be interest

[b] Income derived from these securities is subject to all Federal taxes now or hereafter imposed Securities are subject to estate inheritance gift, or other excise taxes whether Federal or State but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State or any of the possessions of the United States, or by any local taxing authority The following is applicable to savings bonds only For purposes of taxation any increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest

Exempt both as to principal and interest from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States or by any local taxing authority except (a) estate or inheritance taxes and (b) graduated additional income taxes commonly known as surtaxes and excess profits and war profits taxes now or hereafter imposed by the United States upon the income or profits of individuals partnerships, associations or corporations The interest on an amount of bonds authorized by the act approved Sept 24 1917 as amended the principal of which does not exceed in the aggregate \$5 000 owned by any individual partnership association or corporation shall be exempt from the taxes provided for in clause (b) above The following is applicable to savings bonds only For purposes of determining taxes and tax exemptions the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest

[d] Exempt from the payment of all taxes or duties of the United States as well as from all taxation in any form by or under State municipal or local authority (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes imposed by Federal or State authority)

Interest on these bonds is subject to all Federal taxes now or hereafter imposed Principal is exempt from taxation

[f] These issues being investments of various Government funds and payable only for the account of such funds, have no present tax liability

In hands of foreign holders—Applicable only to securities issued prior to Mar 1 1941 Bonds notes and certificates of indebtedness of the United States shall, while beneficially owned by a nonresident alien individual or a foreign corporation partnership or association not engaged in business in the United States be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States any State or any of the possessions of the United States or by any local taxing authority

MEMORANDUM RELATING TO OTHER OBLIGATIONS

Obligations of the United States payable on presentation	*Amount*
Matured interest obligations outstanding	\$151 787 910. 79
Interest accrued on Treasury savings notes (including tax series) and adjusted service bonds	58 932, 546 37
Discount accrued on Treasury (war) savings certificates matured series	3 078, 290 00
Settlement warrant checks outstanding	1 613 249 68
Total	215, 411 996 84

TABLE 21.—*Description of guaranteed obligations held outside the Treasury,*[1] *June 30, 1948*

[On basis of daily Treasury statements, see p. 393]

Title	Tax status	Date of issue	Redeemable (on and after)	Payable	Interest payable	Amount[2] Principal	Amount[2] Interest[3]	Amount[2] Total
UNMATURED OBLIGATIONS								
Commodity Credit Corporation, act of Mar. 8, 1938, as amended:								
¾% demand obligations	(4)	Various		On demand	Monthly[5]	[5] $60 000 00		
1% demand obligations	(4)	do		do	do	[5] 6, 125 246. 03		
1½% demand obligations	(4)	do		do	do	[5] 35 518, 211 21		$41 703 457 24
Federal Housing Administration:								
Mutual mortgage insurance fund, act of June 27, 1934, as amended:								
3% debentures, Series A	(6)	do		Various	Jan. 1, July 1	7 444, 536. 23		
Housing insurance fund, act of June 27, 1934, as amended:								
2¾% debentures, Series D, uncalled	(7)	do	(8)	do	do	3 938, 400 00		
2¾% debentures, Series D, fifth called	(7)	do	Called for redemption July 1, 1948		July 1, 1948	2, 000, 000 00		
War housing insurance fund, act of Mar. 28, 1941, as amended:								
2½% debentures, Series H, uncalled	(6)	do	(8)	Various	Jan. 1, July 1	2, 585, 400 00		
2½% debentures, Series H, third called	(6)	do	Called for redemption July 1, 1948		July 1, 1948	11 096, 250 00		27 064, 586. 23
Total unmatured obligations						68, 768, 043. 47		68 768, 043 47
MATURED OBLIGATIONS								
Commodity Credit Corporation							$11 25	11. 25
Federal Farm Mortgage Corporation						1 737 800. 00	166, 330 36	1 904, 130 36
Federal Housing Administration							340 65	340 65
Public Housing Administration						2 000. 00	68. 40	2, 068. 40
Home Owners' Loan Corporation						2, 952, 975 00	297 841 07	3, 250 816. 07
Reconstruction Finance Corporation							19 25	19. 25
Total matured obligations						4, 692, 775 00	464, 610 98	[9] 5 157 385 98
Total based on guarantees						[10] 73, 460, 818 47	464 610. 98	73, 925 429 45

[1] Obligations listed are unconditionally guaranteed as to principal and interest

[2] For obligations held by Treasury and reflected in the public debt see table 22

[3] Does not include accrued interest

[4] Income derived from these securities is subject to all Federal taxes now or hereafter imposed Securities are subject to surtaxes estate, inheritance, gift, or other excise taxes whether Federal or State but are exempt from all taxation now or hereafter imposed on principal or interest thereof by any State municipality or local taxing authority

[5] Represents drafts and invoices as of May 31, 1948, paid by commercial banks for account of Commodity Credit Corporation

[6] National Housing Act as amended by National Housing Act Amendments of 1938 approved Feb 3 1938 reads in part as follows Such debentures as are issued in exchange for property covered by mortgages insured under sec. 203 or sec. 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures * * * Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt both as to principal and interest from all taxation (except surtaxes estate inheritance, and gift taxes) now or hereafter imposed by the United States by any Territory dependency or possession thereof or by any State, county municipality, or local taxing authority ' Under Public Debt Act of 1941 interest upon and gain from sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted except such debentures as may be issued on contracts entered into prior to Mar 1 1941

[7] With reference to debentures issued prior to Mar 1, 1941, in name of housing insurance fund, the National Housing Act Amendments of 1938 approved Feb 3 1938 states that Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt both as to principal and interest, from all taxation (except surtaxes, estate, inheritance and gift taxes) now or hereafter imposed by the United States by any Territory dependency or possession thereof or by any State county municipality or local taxing authority ' Under Public Debt Act of 1941 interest upon and gain from sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar 1 1941

[8] Redeemable on any interest day or days on 3 months notice

[9] Funds have been deposited with Treasurer of the United States for payment of outstanding matured principal and interest

[10] Amount outstanding on basis of Public Debt accounts is shown in table 19

TABLE 22.—*Description of Treasury holdings of obligations issued by corporations and certain other business-type activities of the Government, June 30, 1948*

[On basis of daily Treasury statements, see p. 393][1]

Title and authorizing act	Date of issue	Redeemable (on and after)	Payable	Interest payable	Rate of interest	Principal amount
Commodity Credit Corporation, act of March 8, 1938, as amended					*Percent*	
Notes, 14th Series [1]	Various	At any time	On demand		None	$440 000 000.00
Export Import Bank of Washington, act of July 31, 1945, as amended						
Notes, Series 1951	do	do	Dec 31 1951	June 30 Dec. 31	1	516 200,000 00
Notes Series 1959	do	do	June 30 1959	do	1⅛	454 400 000.00
						970 600 000.00
Home Owners Loan Corporation, act of June 13, 1933 as amended						
Bonds Series U [1]	June 30 1947	do	June 30 1949	do	1¼	244,000 000.00
Public Housing Administration act of September 1 1937 as amended						
Notes, Series O [1]	June 30 1948	do	June 30 1953	June 30	1⅞	362,000,000 00
Reconstruction Finance Corporation, act of January 22 1932, as amended [2]						--
Rural Electrification Administration act of May 20 1936 as amended						
Notes of administrator	Various	do	Various	Jan. 1 July 1	1¾	718 074 354.98
Tennessee Valley Authority act of May 18 1933 as amended [1]						
Bonds of 1943–51	Aug 15 1939	Aug 15 1943	Aug 15 1951	Feb 15 Aug 15	[3] 1¾	7 500 000 00
Bonds of 1947–57	do	Aug 15 1947	Aug 15 1957	do	[3] 2¼	15 000 000 00
Bonds of 1951–63	do	Aug 15 1951	Aug 15, 1963	do	[3] 2⅜	15 000 000 00
Bonds of 1955–69	do	Aug 15 1955	Aug 15 1969	do	[3] 2½	16 500 000 00
						[4] 54 000 000 00

Virgin Islands Company Note No 1	The act of July 30 1947	Aug 27 1947	At any time	June 30 1949	June 30	1⅛	250 000.00
Total							2,788,924,354.98

[1] Unconditionally guaranteed as to principal and interest.

[2] Pursuant to Public Law 860 approved June 30, 1948 Series Y, Y-A, and AA notes amounting to $8,299 516 368 27 $800 000 000 00 and $265 790 448 93 respectively, were canceled by Secretary of the Treasury on June 30 1948 Series CC amounting to $1 105 000 000 00 were repaid by Corporation on June 30 1948

[3] Interest is paid at rate of 1 percent per annum while such bonds are held by Treasury

[4] Pursuant to Public Law 268 approved July 30 1947, repayments of not less than $2 500 000 must be made not later than June 30 of each calendar year

TABLE 23.—*Description of contingent liabilities outstanding June 30, 1948* [1]

[On basis of daily Treasury statements, see p. 393]

Title	Tax status	Date of issue	Payable	Interest payable	Rate of interest	Amount: Principal	Amount: Accrued interest	Amount: Total
ON CREDIT OF THE UNITED STATES								
U S Postal Savings System—funds due depositors, act of June 25 1910 as amended [2]	(3)	Date of deposit	On demand	(4)	2%	$3 434, 802, 000 00	$107 691 730 12	[5] $3 542 493 730 12
Canal Zone Postal Savings System—funds due depositors, act of June 13, 1940.[2]	(3)	do	do	(4)	2%	9 370 880 00	260, 757 01	[6] 9 631 637 01
Total						3 444, 172, 880 00	107 952, 487 13	3 552 125, 367 13
OTHER OBLIGATIONS								
Federal Reserve notes (face amount) act of Dec 23 1913 as amended [7]								[8] 23 054, 407 368 46

[1] Does not include contingent liability on guaranteed and insured loans to veterans which as of June 30 1947 amounted to $2,216 908,899 45 also does not include contingent liability on war production and contract termination guaranteed loans of the Department of the Army which as of May 31 1948, amounted to $1 599 329 45, the latest figures available for inclusion in the June statement published in the July 1 1948, daily Treasury statement

[2] The faith of the United States is solemnly pledged to payment of deposits made in postal savings depository offices with accrued interest thereon.

[3] Under Public Debt Act of 1941 income derived from deposits made subsequent to Mar 1 1941, is subject to all Federal taxes

[4] Interest payable quarterly from first day of month next following date of deposit

[5] Figures are as of Mar 31 1948, the latest available for inclusion in the June statement published in the July 1 1948, daily Treasury statement Offset by cash in designated depository banks amounting to $5 759 730.90 which is secured by pledge of collateral as provided in Regulations of the Postal Savings System having face value of $5 890 950 cash in possession of System amounting to $178 570 799 30 Government securities with face value of $3 344 558,210, and other net assets of $18,999,601 18

[6] Figures are as of May 31 1948, the latest available for inclusion in the June statement published in the July 1, 1948 daily Treasury statement Offset by cash on hand and in depository banks amounting to $9 779 97 Government securities with face value of $9,850 000 and other assets

[7] Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve Banks and for all taxes customs and other public dues They are redeemable in lawful money on demand at the Treasury Department, in Washington D C or at any Federal Reserve Bank

[8] Figures are as of May 31 1948 the latest available for inclusion in the June statement published in the July 1 1948 daily Treasury statement In actual circulation exclusive of $620 723,531 54 redemption fund deposited in the Treasury and $771 549,805 of their own Federal Reserve notes held by issuing banks Collateral security for Federal Reserve notes issued consists of $13 229 000 000 in gold certificates and in credits with Treasurer of the United States payable in gold certificates $11 225 000,000 face amount of United States Government securities, and $97 368,000 face amount of commercial paper Notes issued by a Federal Reserve Bank are a first lien against the assets of such bank

TABLE 24 —*Statutory limitation on the public debt and guaranteed obligations, June 30, 1948*

[In millions of dollars]

PART I STATUS UNDER LIMITATION, JUNE 30, 1948

	Amount	
Maximum amount of securities which may be outstanding at any one time under limitations imposed by section 21 of the Second Liberty Bond Act as amended		275 000
Amount of securities outstanding subject to such statutory debt limitation		
U S Government securities issued under the Second Liberty Bond Act, as amended	251 468	
Guaranteed obligations (excluding those held by the Treasury)	73	
Total amount of securities outstanding subject to statutory debt limitation		251 542
Balance issuable under limitation		23 458

PART II APPLICATION OF LIMITATION TO PUBLIC DEBT AND GUARANTEED OBLIGATIONS OUTSTANDING JUNE 30 1948

Class of security	Subject to statutory debt limitation	Not subject to statutory debt limitation	Total outstanding
Public debt			
Interest bearing securities			
Marketable			
Treasury bills	13 757		13 757
Certificates of indebtedness	22, 588	-	22, 588
Treasury notes	11 375		11 375
Treasury bonds—bank-eligible	62, 826	-	62 826
Treasury bonds—bank restricted [1]	49, 636		49, 636
Postal savings and Panama Canal bonds	-	164	164
Total marketable	160 182	164	160, 346
Nonmarketable			
U S savings bonds (current redemption value)	53 274		53 274
Treasury savings notes	4 394		4 394
Depositary bonds	316		316
Armed forces leave bonds	563		563
Treasury bonds investment series	959	-	959
Total nonmarketable	59 506		59 506
Special issues to Government agencies and trust funds	30 211	-	30 211
Total interest-bearing securities	249 899	164	250 063
Matured debt on which interest has ceased	275	5	280
Debt bearing no interest			
United States savings stamps	58	-	58
Excess profits tax refund bonds	9	-	9
Special notes of the United States			
International Monetary Fund series	1 161		1 161
International Bank for Reconstruction and Development series	66		66
United States notes (less gold reserve)		191	191
Deposits for retirement of national bank and Federal Reserve Bank notes		459	459
Other debt bearing no interest		6	6
Total debt bearing no interest	1 294	655	1, 949
Total public debt	251, 468	824	252, 292
Guaranteed obligations (excluding those held by the Treasury)			
Interest-bearing	69	-	69
Matured	5	-	5
Total guaranteed obligations	73	-	73
Total public debt and guaranteed obligations	251 542	824	252 366

NOTE —Figures are rounded and will not necessarily add to totals

[1] Issues which commercial banks may not acquire prior to a specified date (with minor exceptions) See *footnote 5, table 102*

Operations in the public debt, etc.

TABLE 25.—*Public debt receipts and expenditures, by security classes, monthly for fiscal year 1948 and totals for 1947 and 1948* [1]

[On basis of daily Treasury statements see p 393]

Receipts (issues)	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Public issues:							
Marketable obligations							
Treasury bills	$1,411 824,000 00	$854,137 000 00	$1,037 453 000 00	$1 330,198,000.00	$819 333 000 00	$1,316,504 000 00	$2,254,411 000 00
Exchanges							
Certificates of indebtedness	2,741 964,000.00	1,126,672,000 00	2 209 163,000 00	1 353 966 000.00	1 467 076 000 00	-	2,591 911 000.00
Treasury bills	4,496,054,000 00	3,953 313 000.00	3 972,125 000.00	4,584,649 000 00	3 591 104,000 00	3 494,549 000.00	3,362,323 000 00
Treasury notes	- -	- - -	4,092,000 000.00	50,000 00	- - - -	3,534,753 000.00	65 000 00
Subtotal	7 238,018,000 00	5 079 985,000 00	10 273,288,000 00	5 938,665 000 00	5 058 180 000 00	7 029 302,000.00	5 954,299 000 00
Total marketable obligations	8 649 842 000 00	5 934,122 000 00	11 310 771 000 00	7 268 863 000 00	5,877 513 000 00	8 345 806,000 00	8 208,710,000 00
Nonmarketable obligations							
Adjusted service bonds	28 150 00	12,100 00	19 700 00	29 450 00	16 650 00	15 900 00	19 300 00
Armed forces leave bonds	36,047 775 00	43 646,750 00	48,860,275.00	41 707 875 00	23 789 375 00	14,781 925 00	11,326,975 00
Depositary bonds	6 736,000 00	2,563 000 00	609 000.00	571,000 00	2 205,000 00	58,000 00	9,824,000 00
Excess profits tax refund bonds [2]	344.33	a 17 608 87	a 465 91	a 221 73	a 1,050 18	a 7 623 89	a 452.81
Special notes of the United States							
International Bank for Reconstruction and Development series	-	- -	-	- -	-	- -	
International Monetary Fund series		- - -					
Treasury bonds, investment series	-	- - -	111 708,000 00	858,277 000 00	a 25 000 00	- - -	- -
Treasury savings notes	231,274,600 00	153,922,600 00	170,694,900 00	214,729 200 00	177 160,200.00	367 343 900 00	143 294,800 00
United States savings bonds							
Issue price	559 024,568.06	459,754,177 36	466,461 850 56	488,118 260 16	411 659 913 85	436,927 504.05	770,153 342.56
Accrued discount	80,249 270 16	54 207 108.27	58,397 728 81	52,168,825 96	55,829 980 08	82,711 154.71	84,243 281 71
United States savings stamps	1 815 375 15	1,349 693 31	1 362,043 23	1 643,718 60	1 284,793 36	1,386 949 55	1 398,030 54
Total nonmarketable obligations	915,175,394.04	715,437 720 07	858 113 031 69	1 657 245,107 99	671 919 862 11	953,217 709 42	1 020 259 277 00
Total public issues	9 565 017 394.04	6 649 559,720.07	12,168 884,031 69	8 926,108,107 99	6 549 432,862 11	9 299 023 709 42	9 228 969 277 00

Receipts (issues)	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Public issues							
Marketable obligations							
Treasury bills	$1 922 843 000 00	$1 858,903 000 00	$2 707 684,000.00	$2 054,995 000 00	$2 004,473 000 00	$19 572 788,000 00	$60,391 920 000.00
Exchanges							
Certificates of indebtedness	2,188 813,000 00	3,552 901 000 00	1 055,091 000 00		4 300 230,000 00	22,587 787 000 00	25 295 968,000 00
Treasury bills	2,087 268,000 00	2,459 597 000 00	2 711 757 000 00	1 967 981 000 00	2,310 367 000 00	38,991 087 000 00	6,461 535,000 00
Treasury notes						7 626,868 000 00	
Subtotal	4 276 081 000 00	6 012,498 000 00	3,766 848,000 00	1 967 981 000 00	6 610 597 000 00	69,205,742 000 00	31 757 503,000 00
Total marketable obligations	6,198,924 000 00	7 871 401 000 00	6 474,532,000 00	4,022,976,000 00	8 615,070,000 00	88,778,530 000 00	92,149 423,000.00
Nonmarketable obligations							
Adjusted service bonds	18,900 00	5,150,00	22 000 00	14,100 00	12 850 00	214 250 00	269 300 00
Armed forces leave bonds	5 599,700 00	3 214,650 00	2,268 750 00	1 510 400 00	1 374,200 00	234,128,650 00	1 846 906 500.00
Depositary bonds	542,000 00	1 579 000 00	847 000 00	1 322 000.00	1 561 000 00	28,417 000 00	38 749 000 00
Excess profits tax refund bonds [2]					* 94,119 76	* 121 887 48	* 2,073 607 69
Special notes of the United States							
International Bank for Reconstruction and Development series							565,785 000 00
International Monetary Fund series							1 782,000 000 00
Treasury bonds investment series						969 960 000 00	
Treasury savings notes	111 122,600 00	120 185 400 00	128,814,100 00	141 904,300 00	183 392 000 00	2 143,838 500 00	3,056 634,900 00
United States savings bonds							
Issue price	607 303,811 13	588 136 359 02	468,380 844 68	432,148,487 49	496,624 730.01	6 234 693 848 93	7 207 774,544.96
Accrued discount	56 577 126 80	60 522 036.73	54,549 729 41	70 181 970 04	94,725 942.86	804,364,155 54	690 931 265.77
United States saving stamps	1 483 686 50	1 688,156 96	1 428,150 09	1 352 788.48	1 599 750 74	17 803 136 51	26,386 029 24
Total nonmarketable obligations	782,647 824.43	775 330 752.71	656 310 574.18	648 444 046.01	779 196 353.85	10 433 297 653 50	15,213,362 932.28
Total public issues	6 981 571 824.43	8,646 731 752 71	7 130 842,574 18	4,671 420 046 01	9 394,266,353 85	99 211 827 653 50	107 362,785 932 28

Footnotes at end of table

TABLE 25—*Public debt receipts and expenditures, by security classes, monthly for fiscal year 1948 and totals for 1947 and 1948*[1]—Continued

Receipts (issues)	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Special issues							
Adjusted service certificate fund (certificates)							$6,000 000 00
Alaska Railroad retirement fund (notes)		$217 000 00			$60 000 00		
Canal Zone Postal Savings System (notes)							
Canal Zone retirement fund (notes)		1,177 000 00	$21,000 00	$22 000.00			
Civil service retirement fund (notes)	$4 100,000 00	249 530,000 00	7 359 000 00	4,646 000.00	4 408,000 00	$4 100 000 00	4 450 000 00
Farm tenant mortgage insurance fund (notes)							
Federal Deposit Insurance Corporation (notes)	106,000,000 00	88,000 000.00	88,000 000.00	5 000 000 00			43 000,000 00
Federal home loan banks (notes)							32 900 000 00
Federal old-age and survivors insurance trust fund (certificates)			300 000 000.00				
Federal Savings and Loan Insurance Corporation (notes)	1 500 000 00	500 000.00	500 000 00	1 000 000 00	750 000 00	2,000 000.00	1 500 000 00
Foreign service retirement fund (notes)	2,085,000.00		7 000 00	7 000 00		10 000 00	9,000.00
Government life insurance fund (certificates)							
Housing insurance fund (notes)						2 000 000 00	
Mutual mortgage insurance fund (notes)		2,500 000 00		4,000 000.00			
National service life insurance fund (notes)	46 000 000 00	40 000,000.00	25,000 000.00	25,000 000 00	15 000 000 00	30 000 000 00	20 000 000 00
Postal Savings System (notes)	599 000,000 00	180,000 000.00					25 000 000.00
Railroad retirement account (notes)	510,500 000 00			56 500 000 00			58 000 000 00
Unemployment trust fund (certificates)	10 000,000.00	167 000 000.00	15 000 000 00	20 000,000 00	70,000 000 00	20,000,000 00	65 000 000 00
War housing insurance fund (notes)		2,500,000 00					1 000,000 00
Total special issues	1,279,185,000 00	731 424,000 00	435,887 000.00	116,175,000 00	90 218 000.00	58,110 000.00	256 859 000 00
Total public debt receipts	10 844,202 394.04	7 380,983 720.07	12 604,771 031 69	9 042 283 107 99	6 639 650 862 11	9 357 133,709 42	9 485 828,277 00

Receipts (issues)	Fiscal year 1948					Total fiscal year 1948	Total fiscal year 1947
	February 1948	March 1948	April 1948	May 1948	June 1948		
Special issues							
Adjusted service certificate fund (certificates)						$6,000 000.00	$12,500,000 00
Alaska Railroad retirement fund (notes)		$50 000 00		$50 000 00	$465 000 00	842,000 00	867 000.00
Canal Zone Postal Savings System (notes)					750 000 00	750 000 00	1 250 000.00
Canal Zone retirement fund (notes)	$13,000 00				1 527 000 00	2,760 000 00	2,791,000.00
Civil service retirement fund (notes)	13 358 000.00	4 360,000 00	$4,200,000 00	9,403,000 00	569 452,000 00	879,366,000 00	672,234,000 00
Farm tenant mortgage insurance fund (notes)		1 000 000.00				1,000 000 00	
Federal Deposit Insurance Corporation (notes)	6 000 000 00		7 000,000 00	40 000 000 00	9 000 000 00	392 000,000 00	288,000 000.00
Federal home loan banks (notes)	9 900 000 00					42,800 000 00	
Federal old-age and survivors insurance trust fund (certificates)					8 059 000 000 00	8 359,000 000.00	7 110 000,000 00
Federal Savings and Loan Insurance Corporation (notes)			1 000 000 00	1 000,000 00	23 300 000.00	33 050 000 00	19 112,000 00
Foreign service retirement fund (notes)		15 000 00	32 000 00	122,000 00	1 800 000 00	4 087 000 00	2 566 000 00
Government life insurance fund (certificates)					1 286 500 000 00	1 286 500 000 00	1 808 000 000 00
Housing insurance fund (notes)						2 000 000 00	
Mutual mortgage insurance fund (notes)						6 500 000 00	14,500 000.00
National service life insurance fund (notes)	15 000,000 00	25 000 000 00	15,000,000 00	5,000,000 00	1,020,700,000 00	1 281 700 000 00	1,547 485 000 00
Postal Savings System (notes)	5 000 000 00	56 000 000 00				865 000 000 00	845,000 000.00
Railroad retirement account (notes)			59 000 000 00		108,000 000 00	792,000 000 00	319 000 000 00
Unemployment trust fund (certificates)	93 000 000 00	15 000 000 00		125,000 000.00	7 515,000 000 00	8 115,000 000.00	7 747 000,000 00
War housing insurance fund (notes)		4,000 000 00				7 500 000.00	8 000,000 00
Total special issues	142 271 000 00	105,425 000 00	86 232,000 00	180 575 000 00	18,595,494 000.00	22,077 855,000.00	20,398 305,000 00
Total public debt receipts	7,123 842,824.43	8,752,156,752.71	7,217 074,574.18	4,851 995 046 01	27 989 760,353 85	121 289 682 653 50	127 761 090 932.28

Footnotes at end of table

TABLE 25.—*Public debt receipts and expenditures, by security classes, monthly for fiscal year 1948 and totals for 1947 and 1948*[1]—Continued

Expenditures (retirements)	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Public issues							
Marketable obligations							
Certificates of indebtedness	$175 390 000 00	$98 843 600 00	$133 529 000 00	$88 175 000 00	$309 556 500 00	$366 817 000.00	$548 124,000.00
Postal Savings bonds	683 040 00	16 100 00	6 640.00	7 900 00	1 040 00	1 800.00	770 360.00
Treasury bills	1 427 784 000 00	878,040 000.00	1 046 913 000.00	1 322,096,000.00	1 217 146 000.00	1 515 727 000 00	2 550 532 000 00
Treasury bonds	2,426,400 00	1 422 00 00	2,066 300.00	696 825 200 00	25 719 750 00	78 235 800 00	9 198,650 00
Treasury notes	2,796 250 00	1 301 100 00	252,086 200 00	25,830 150 00	7 849 200 00	8 910 300 00	4 838 200 00
Other debt items	33 400 50	56 658.75	497 758 25	89 336.75	65 227 25	74 785 00	81 036.25
Subtotal	1 609 113 090.50	979 679 558 75	1 435 098 898 25	2 133 023 586 75	1 560,337 717 25	1 969 766 685 00	3 113 544,246 25
Exchanges							
Certificates of indebtedness	2,741 964 000.00	1 126 672,000.00	2,209 163 000 00	1 353 966 000 00	1 467 076 000.00	2 907 789 000 00	2 591 911 000 00
Treasury bills	4,496 054 000 00	3 953 313 000 00	3 972,125 000 00	4,584 649 000.00	3 591 104 000 00	3 494 549 000 00	3 362 323 000 00
Treasury bonds						626,964 000.00	65 000.00
Treasury notes			4 092,000 000.00	50 000.00			
Subtotal	7 238,018,000.00	5 079 985 000.00	10,273 288 000 00	5 938 665,000.00	5 058 180,000 00	7 029 302,000.00	5 954 299 000 00
Total marketable obligations	8 847 131 090 50	6,059,664 558.75	11 708 386 898 25	8 071 688 586.75	6 618 517 717 25	8 999 068 685 00	9 067 843 246 25
Nonmarketable obligations							
Adjusted service bonds	507 350 00	440,000.00	416,000.00	358 950 00	262,950 00	273 350 00	324,850.00
Armed forces leave bonds	5 226,250 00	2,447 550.00	888 942,725 00	158 078 775 00	94,292,175.00	86 318 550.00	58 017 325 00
Depositary bonds	3 652 500.00	2 642,500 00	3 362 000 00	5 019 000 00	3 012,000.00	1 860 000 00	7 053 000.00
Excess profits tax refund bonds[2]	1 449 064.75	1 896,854.62	2 031 150 07	609 538.82	519 440 87	527 815 97	635 238.47
Special notes of the United States							
International Bank for Reconstruction and Development series		100 000 000.00			50 000,000.00	50,000 000 00	
International Monetary Fund series	30 000 000 00	21 000 000 00	94 000 000 00	148,000 000.00	86,000 000 00	27 000 000 00	12 000 000 00
Treasury bonds investment series							
Treasury tax and savings notes							
Cash redemptions	132,921 750.00	66 662,275 00	82,611 475.00	81 118 150.00	233 366,550 00	241,503 525 00	72,628 950 00
Received for taxes	68 087 150 00	38 378 800 00	201 979 500 00	48,134 375 00	28 321 800.00	203 028 600 00	68 358 075 00
United States savings bonds	456 774 803.00	403 873 426.25	431 464,707 51	404,298 098.18	357 302 803 11	434 053 830 23	453 789,893 79
United States savings stamps	3 653 940.45	2 961 290 60	2 878 824.05	2 446,894 75	1,651 492.50	2,174,976.65	2 209 454 85
Total nonmarketable obligations	702 272,808.20	640,302 696.47	1 707 686 381 63	848 063 781 75	854 729 211 48	1 046,740,647 85	675 016 787 11
Total public issues	9 549 403 898 70	6 699 967 255.22	13 416 073 279 88	8 919 752,368.50	7 473 246 928 73	10 045 809 332.85	9 742 860,033 36

Expenditures (retirements)	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Public issues							
Marketable obligations							
Certificates of indebtedness	$1 757 754 100 00	$455,889 500 00	$265 086 000 00	$6,019 500 00	$160 252 000 00	$4 365 436,200 00	$12 484,001 200 00
Postal Savings bonds	14 260 00	23 600 00	6 800 00	5 220 00	7 500 00	1 544,260 00	675,920 00
Treasury bills	2,323 258,000 00	2,353 638 000 00	2 898,808 000 00	2,045,778,000 00	2 011 257 000 00	21 590 977 000 00	61 657 361 000 00
Treasury bonds	3 440 350 00	436 337 700 00	18,980 350 00	7 864 100 00	347 977 100 00	1 630 493 800 00	119 867 500 00
Treasury notes	2 409 900 00	2 718,100 00	1 784 900 00	1 604 000 00	1 414 300 00	313,542 600 00	7 187 602 900 00
Other debt items	71 910 50	50 450 25	49,194 25	58,268 25	40 432 00	1 168,458 00	13 773 454.65
Subtotal	4 086 948,520 50	3 248 657 350 25	3 184,715,244.25	2,061 329,088.25	2,520 948 332 00	27 903 162 318 00	81 463 281 974 65
Exchanges							
Certificates of indebtedness	2 188 813 000 00	1 687 423 000 00	1 054 836 000 00		1 617 762 000 00	20 947 375,000 00	22,380 258 000 00
Treasury bills	2 087 268,000 00	2 459 597 000 00	2 711 757 000 00	1 967 981 000 00	2,310,367 000 00	38,991 087 000 00	6 461,535 000 00
Treasury bonds		1 865,478 000 00	255,000 00		2 682 468,000 00	5 175 230 000 00	
Treasury notes						4 092 050 000 00	2 915,710 000 00
Subtotal	4 276,081 000 00	6 012 498,000 00	3 766 848 000 00	1 967 981 000 00	6 610 597 000 00	69 205,742 000 00	31 757 503,000 00
Total marketable obligations	8 363 029 520 50	9 261 155 350 25	6 951 563 244 25	4 029 310 088 25	9 131 545 332 00	97 108 904 318.00	113 220 784 974 65
Nonmarketable obligations							
Adjusted service bonds	270 950 00	344 650 00	314 300 00	273 550 00	301 900 00	4 088 800 00	8,474 500 00
Armed forces leave bonds	39 433 100 00	40 801 875 00	35 786 750 00	27 447 875 00	26 155,450 00	1 462 948,400 00	53 934,050 00
Depositary bonds	2,573 000 00	4 087 000 00	1 194,000 00	2 746 000 00	288 000 00	37 489 000 00	140 174,000 00
Excess profits tax refund bonds [2]	539 464 14	573 554 72	514 453 59	473,548 67	413 754 67	10 183,879 36	36,736 301 34
Special notes of the United States							
International Bank for Reconstruction and Development series	50,000 000 00	50 000 000 00			50 000 000 00	350 000 000 00	150 000 000 00
International Monetary Fund series	28 000 000 00	94 000 000 00	6 000 000 00	9 000 000 00	8 000 000 00	563,000 000 00	58,000 000 00
Treasury bonds investment series	40,000 00		8,470 000 00	1 275,000 00	825,000 00	10 610 000 00	
Treasury tax and savings notes							
Cash redemptions	153 747 375 00	91 155,400 00	245 647 400 00	261 980 625 00	308,804 250 00	1 972 147 725 00	2,184 824 550 00
Received for taxes	40 250 950 00	273 617 325 00	102 217 675 00	29 187 900 00	229 490 525 00	1 331 052 675 00	2 015,154 675 00
United States savings bonds	363 743 329 40	462,304 088 87	451 601 964 91	428 381 590 19	465 326 694.25	5 112 915 229 69	5 544 910 209 58
United States savings stamps	2 492,314 35	2 636,107 95	2 181 214 60	2 004 423 25	2 028 568.00	29 319,502 00	52,432 314.75
Total nonmarketable obligations	681 090 482.89	1 019 520 001 54	853,927 758 10	762 770 512 11	1 091 634 141 92	10 883 755,211 05	10 244,640 600 67
Total public issues	9 044 120 003 39	10 280 675,351 79	7 805 491 002 35	4,792 080 600 36	10 223 179 473 92	107 992 659 529 05	123,465,425,575.32

Footnotes at end of table

TABLE 25.—*Public debt receipts and expenditures, by security classes, monthly for fiscal year 1948 and totals for 1947 and 1948*[1]—Continued

Expenditures (retirements)	Fiscal year 1948						
	July 1947	August 1947	September 1947	October 1947	November 1947	December 1947	January 1948
Special issues:							
Adjusted service certificate fund (certificates)		$6 150 000 00				$100,000.00	$6,000 000 00
Alaska Railroad retirement fund (notes)	$65,000.00						
Canal Zone Postal Savings System (notes)							
Canal Zone retirement fund (notes)	150,000 00	155,000.00	$25,000 00		$65,000 00	60,000 00	155 000 00
Civil service retirement fund (notes)	6,000,000 00	4,000 000 00	7 000,000 00	$16 000 000 00	2 000 000.00	8,360 000.00	2,000,000 00
Federal Deposit Insurance Corporation (notes)			85,000,000.00	120,000 000 00			
Federal home loan banks (notes)							
Federal old age and survivors insurance trust fund (certificates)	42,000 000 00					50 000 000 00	
Federal old-age and survivors insurance trust fund (notes)							
Federal Savings and Loan Insurance Corporation (notes)							
Foreign service retirement fund (notes)	50,000 00	30,000 00	50 000 00	35 000 00	40,000 00	85,000 00	35 000 00
Government life insurance fund (certificates)			1 000 000 00			1 500 000.00	1 000,000.00
Government life insurance fund (notes)							
Housing insurance fund (notes)							
Mutual mortgage insurance fund (notes)							
National service life insurance fund (notes)							
Postal Savings System (notes)						525,000,000.00	
Railroad retirement account (notes)	16,000 000 00	17 000 000.00	18 000 000 00	18,000 000 00	19 000 000 00	19 500 000 00	20 000 000 00
Unemployment trust fund (certificates)	65 000 000 00		25 000 000 00	35,000 000.00		15 000,000.00	35,000 000 00
War housing insurance fund (notes)							
Total special issues	129 265,000.00	27 335 000 00	136 075 000 00	189 035 000 00	21 105,000.00	619 605,000 00	64,190 000 00
Other obligations:							
National and Federal Reserve Bank notes	4,176 826 00	4,289,250.00	5,166 290 00	7 042,040.00	4,345 860.00	3,889 750 00	4,957 400.00
Old demand notes and fractional currency							
Total other obligations	4,176,826 00	4,289,250 00	5,166 290.00	7 042,040 00	4 345,860 00	3,869 750 00	4 957 400 00
Total public debt expenditures	9 682,845 724 70	6 731 591 505 22	13,557 314,569 88	9 115,829 408.50	7 498,697 788 73	10,669 284,082.85	9 812,007 433.36
Excess of receipts or expenditures (—)	1 161 356,669 34	649 392,214.85	—952,543 538.19	—73,546,300 51	—859 046 926 62	—1,312,150 373.43	—326 179 156 36

Expenditures (retirements)	Fiscal year 1948: February 1948	March 1948	April 1948	May 1948	June 1948	Total fiscal year 1948	Total fiscal year 1947
Special issues							
Adjusted service certificate fund (certificates)	$150,000 00				$50 000 00	$12,450 000.00	$12,750 000 00
Alaska Railroad retirement fund (notes)					387 000 00	452 000.00	547 000 00
Canal Zone Postal Savings System (notes)					1 250 000 00	1,250,000 00	1 250 000 00
Canal Zone retirement fund (notes)		$65,000.00	$125 000 00	$25 000 00	1 065 000 00	1 890 000 00	1 859 000 00
Civil service retirement fund (notes)			10,630 000.00	4,000,000.00	460,003 000 00	519 993,000 00	392,030 000 00
Federal Deposit Insurance Corporation (notes)	7 000 000 00	10 000 000 00	11 000 000.00	10,000 000 00	8 000 000 00	251 000,000.00	
Federal home loan banks (notes)					5 400 000 00	5 400 000.00	
Federal old age and survivors insurance trust fund (certificates)					6,553,000,000 00	6,645,000 000 00	4,516 000 000 00
Federal old-age and survivors insurance trust fund (notes)			35,000 000 00		1 074,000 000.00	1 109 000 000 00	1 400,400 000 00
Federal Savings and Loan Insurance Corporation (notes)					20 800 000 00	20 800,000 00	5,862,000 00
Foreign service retirement fund (notes)	30 000 00				1 283 000 00	1 638,000 00	1,606,000 00
Government life insurance fund (certificates)		1 000 000 00	1 000 000 00	1 000 000 00	1 24" 500,000 00	1 254,000 000.00	1 236 000 000 00
Government life insurance fund (notes)							2,400,000 00
Housing insurance fund (notes)					2,000,000 00	2,000 000.00	
Mutual mortgage insurance fund (notes)	17 000 000.00					17 000 000 00	
National service life insurance fund (notes)					820,700 000 00	820 700 000 00	313,485,000.00
Postal Savings System (notes)			30 000 000 00	25 000,000 00		580 000 000 00	
Railroad retirement account (notes)	19 500,000 00	19 000 000 00	19,000 000 00	19 000,000 00	19 000,000 00	223,000,000 00	170 500,000.00
Unemployment trust fund (certificates)		50 000,000 00	50,000,000.00		7 482,000 000 00	7,757 000 000 00	7,304,000 000 00
War housing insurance fund (notes)					10 500 000.00	10 500 000 00	5 000 000.00
Total special issues	43 680,000 00	80,065 000 00	156 755,000 00	59 025,000 00	17 706 938,000 00	19,233 073,000 00	15,363,639 000 00
Other obligations.							
National and Federal Reserve Bank notes	5,197 300 00	6 012,189 00	4 831 335.00	4,321 310.00	3,877 160.00	58,086 710.00	67 691 924.00
Old demand notes and fractional currency		10 13				10.13	497 55
Total other obligations	5 197 300 00	6 012 199 13	4,831 335 00	4 321 310 00	3 877 160 00	58 086,720 13	67 692,421 55
Total public debt expenditures	9 092,997 303.39	10 366,752,550 92	7 967 077 337 35	4 855,426 910.36	27 933 994,633.92	127 283,819 249 18	138 896 806,996 87
Excess of receipts or expenditures (−)	−1 969 154 478 96	−1 614 595 798.21	−750 002,763 17	−3,431 864.35	55,765,719 93	−5,994,136,595.68	−11,135,716,064.59

a Counter entry (deduct)

[1] For figures for 1933–37 see annual report for 1937 pp 334–337, and for later years see corresponding tables in subsequent reports

[2] Transferable and negotiable after formal cessation of hostilities Dec 31 1946

TABLE 26.—*Changes in public debt issues, fiscal year 1948*

[On basis of Public Debt accounts, see p. 393]

Title	Outstanding June 30, 1947	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1948
INTEREST-BEARING DEBT					
Public issues					
Marketable					
Treasury bills (maturity value)					
Series maturing					
July 3, 1947	$1 303 249 000.00		$1 303 249 000 00		
July 10, 1947	1 314,459 000.00		1 314,459 000.00		
July 17, 1947	1 108 388,000 00		1 108,388,000 00		
July 24, 1947	1 100 390 000.00		1 100 390 000 00		
July 31, 1947	1,099,879 000.00		1 099 879 000.00		
Aug 7, 1947	1 111,561 000.00		1 111 561 000 00		
Aug 14, 1947	1 202,477 000 00		1 202,477 000 00		
Aug 21, 1947	1 203 476 000 00		1 203 475 000 00	$1 000 00	
Aug 28, 1947	1 311 450 000 00		1 311 450 000 00		
Sept 4, 1947	1 307 419 000 00		1,307 419,000.00		
Sept. 11, 1947	1 303,178,000.00		1 303 178,000 00		
Sept 18, 1947	1 305 370 000 00		1 305 370 000.00		
Sept 25, 1947	1 103 664 000 00		1 103 664 000.00		
Oct 2, 1947		$1 302,715 000 00	1 302,715 000 00		
Oct. 9, 1947		1 300 023 000 00	1 300 023 000.00		
Oct 16, 1947		1 101 781 000 00	1 101 761 000 00	20 000 00	
Oct 23, 1947		1 101 461 000 00	1 101 461,000 00		
Oct. 30, 1947		1 101 898 000 00	1 101 898 000 00		
Nov 6, 1947		1 103,177 000.00	1 103,177 000 00		
Nov 13, 1947		1 201 358,000 00	1 201 358,000.00		
Nov 20, 1947		1 201 236 000 00	1 201 236 000 00		
Nov 28, 1947		1,301 679 000 00	1,301 629 000 00	50 000.00	
Dec 4, 1947		1 302,230 000.00	1 302 170,000.00	60,000 00	
Dec 11, 1947		1 302,890 000 00	1 302 890 000 00		
Dec 18, 1947		1 302 309 000 00	1 302,249 000.00	60,000.00	
Dec. 26, 1947		1 102,179 000 00	1 102,179 000 00		
Jan. 2, 1948		1 301 348 000 00	1 301 337 000 00	11 000 00	
Jan 8, 1948		1 303 754,000 00	1 303 754,000.00		
Jan. 15, 1948		1 104 761 000 00	1 104 761 000.00		
Jan. 22, 1948		1 103,500 000 00	1 103,500 000.00		
Jan. 29, 1948		1 101 484 000 00	1 101 481 000 00	3 000 00	
Feb 5, 1948		1 001 883 000 00	1 001 883 000 00		
Feb 13, 1948		1 103 550,000 00	1 103 538,000.00	12 000.00	
Feb 19, 1948		1 102,399 000 00	1 102,399 000.00		
Feb 26, 1948		1 202,745 000.00	1 202,745 000 00		
Mar 4, 1948		1 201 105 000 00	1 201 105 000.00		
Mar 11, 1948		1 205,048 000.00	1 205,005 000.00	43,000.00	
Mar 18, 1948		1 302 030 000 00	1 302,030 000 00		
Mar 25, 1948		1 102,730,000 00	1 102 730 000 00		

Apr 1 1948		1,303,990 000 00	1 303 950 000 00	40 000 00	
Apr 8 1948		1 305 124 000 00	1 304 889 000 00	235 000.00	
Apr 15 1948		1 003 266,000 00	1 003 266 000.00	-------	
Apr 22, 1948		1 002,890,000 00	1 002 890 000 00		
Apr 29, 1948		1 001,464,000 00	1 001,422 000.00	42,000.00	
May 6 1948		903 194,000 00	903,170,000.00	24,000.00	
May 13 1948		1 000 200,000 00	1 000,154,000 00	46 000 00	
May 20, 1948		1 000 528 000 00	1 000 528,000 00		
May 27 1948		1 106 189 000.00	1,106 158 000.00	31,000.00	
June 3 1948		1 101 403 000 00	1 101 344,000.00	59,000.00	
June 10 1948		1 101 010,000 00	1 100 809 000 00	201 000 00	
June 17 1948		1 107 433 000 00	1 106 817 000 00	616,000 00	
June 24, 1948		1 008 654,000.00	1 008,159 000 00	495,000 00	
July 1 1948		1 200,262,000 00			$1 200 262 000 00
July 8 1948		1 205 467 000 00			1,205,467 000 00
July 15 1948		1 006 587 000 00			1 006 587 000 00
July 22, 1948		1 001 576 000 00			1 001 576,000.00
July 29 1948		1,005 649 000 00			1,005 649 000.00
Aug 5 1948		905 450 000 00			905,450 000 00
Aug 12, 1948		1 005,625 000 00			1,005 625 000 00
Aug 19, 1948		1,003,991 000 00			1,003 991 000 00
Aug 26, 1948		1 107 810 000 00			1 107 810 000 00
Sept 2 1948		1,100 707 000 00			1 100 707 000 00
Sept 9 1948		1,104 507 000 00			1,104 507 000 00
Sept 16, 1948		1 103 631 000 00			1,103,631 000 00
Sept 23, 1948		1,005 995,000 00			1 005 995 000 00
Total Treasury bills	15,774,980 000.00	58,583 875 000 00	60 579 529 000.00	2 049 000 00	13 757 257 000 00
Certificates of indebtedness					
7/8% Series F–1947	2,915,710 000 00		2 915 490 000 00	220,000 00	
7/8% Series G–1947	1 223 453 000 00		1 223 264,000 00	189 000 00	
7/8% Series H–1947	2 341 005 000 00		2 340 696,000 00	309 000 00	
7/8% Series J–1947	1 439 563 000 00		1 439 245 000 00	318 000 00	
7/8% Series K–1947	1 774 578 000 00		1 774,417 000 00	161 000 00	
7/8% Series L–1947	3 280 792,000 00		3 278,095 000 00	2 697 000.00	
7/8% Series A–1948	3 134,197 000 00		3,133 764,000 00	433 000 00	
7/8% Series B–1948	3 946,660 000 00		3 944 365 000 00	2,295 000 00	
7/8% Series C–1948	2,141 731 000 00		2,139 563 000 00	2,168,000 00	
7/8% Series D–1948	1 321 139 000 00		1 319,439 000 00	1 700 000 00	
7/8% Series E–1948	1 777 142 000.00		1 773 316 000 00	3 826,000 00	
7/8% Series F–1948		2 741 964 000.00			2,741 964 000 00
7/8% Series G–1948		1 126 672 000 00			1 126 672 000.00
7/8% Series H–1948		2,209 163,000 00			2 209 163 000 00
1% Series J–1948		1 353 966 000 00			1 353,966,000 00
1% Series K–1948		1 467 076 000.00			1 467 076,000 00
1 1/8% Series A–1949		2,591 911 000 00			2,591 911 000 00
1 1/8% Series B–1949		2,188 813,000 00			2,188,813 000 00
1 1/8% Series C–1949		3 553 156 000 00			3 553,156 000.00
1 1/8% Series D–1949		1 054 836 000 00			1 054,836,000.00
1 1/8% Series E–1949		4 300 595 000 00			4 300,595,000 00
Total certificates of indebtedness	25,295 970 000 00	22,588 152,000 00	25,281 654,000.00	14,316 000.00	22,588 152,000.00

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30, 1947	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1948
INTEREST-BEARING DEBT—Continued					
Public issues—*Continued*					
Marketable—Continued					
Treasury notes					
1½% Series A-1947	$2,707,289,000.00		$2,706,687,500.00	$601,500.00	
1¼% Series C-1947	1,687,244,000.00		1,682,013,000.00	5,231,000.00	
1½% Series A-1948	3,747,702,000.00				$3,747,702,000.00
1% Series B-1948		$4,092,050,000.00			4,092,050,000.00
1⅛% Series A-1949		3,534,818,000.00			3,534,818,000.00
Total Treasury notes	8,142,235,000.00	7,626,868,000.00	4,388,700,500.00	5,832,500.00	11,374,570,000.00
Treasury bonds					
4¼% of 1947-52	758,945,800.00		746,635,800.00	12,310,000.00	
2% of 1947	701,072,900.00		700,643,050.00	429,850.00	
2% of 1948-50 (dated Mar 15, 1941)	1,115,367,900.00		1,106,849,450.00	8,518,450.00	
2¾% of 1948-51	1,223,495,850.00		1,210,971,250.00	12,524,600.00	
1¾% of 1948	3,061,855,000.00		3,025,875,500.00	35,979,500.00	
2½% of 1948	450,978,400.00				450,978,400.00
2% of 1948-50 (dated Dec 8, 1939)	571,431,150.00				571,431,150.00
2% of 1949-51 (dated Jan 15 1942)	1,014,018,900.00				1,014,018,900.00
2% of 1949-51 (dated May 15 1942)	1,292,444,100.00		500.00		1,292,443,600.00
2% of 1949-51 (dated July 15 1942)	2,097,617,100.00		2,000.00		2,097,615,100.00
3⅛% of 1949-52	491,375,100.00				491,375,100.00
2½% of 1949-53	1,786,125,950.00				1,786,125,950.00
2% of 1950-52 (dated Oct 19, 1942)	1,962,688,300.00				1,962,688,300.00
2½% of 1950-52	1,185,841,200.00				1,185,841,200.00
2% of 1950-52 (dated Apr 15 1943)	4,939,260,500.00		2,000.00		4,939,258,500.00
1½% of 1950	2,635,441,000.00		2,000.00		2,635,439,000.00
2¾% of 1951-54	1,626,686,150.00				1,626,686,150.00
3% of 1951-55	755,429,000.00				755,429,000.00
2% of 1951-53	7,986,262,000.00		1,500.00		7,986,260,500.00
2¼% of 1951-53	1,118,051,100.00				1,118,051,100.00
2% of 1951-55	510,413,950.00		500.00		510,413,450.00
2½% of 1952-54	1,023,568,350.00				1,023,568,350.00
2¼% of 1952-55	1,500,781,300.00				1,500,781,300.00
2% of 1952-54 (dated June 26 1944)	5,825,481,500.00		1,000.00		5,825,480,500.00
2% of 1952-54 (dated Dec 1 1944)	8,661,977,500.00		3,000.00		8,661,974,500.00
2% of 1953-55	724,677,900.00				724,677,900.00
2¼% of 1954-56	680,692,350.00				680,692,350.00
2⅞% of 1955-60	2,611,092,150.00		1,000.00		2,611,091,150.00
2½% of 1956-58	1,448,747,150.00		500.00		1,448,746,650.00
2¾% of 1956-59	981,826,050.00				981,826,050.00
2¼% of 1956-59	3,822,558,500.00				3,822,558,500.00
2¾% of 1958-63	918,780,600.00				918,780,600.00
2¼% of 1959-62 (dated June 1 1945)	5,284,068,500.00		500.00		5,284,068,000.00
2¼% of 1959-62 (dated Nov 15 1945)	3,469,671,000.00		23,500.00		3,469,647,500.00

2¾% of 1960-65	1,485 384,600 00				1 485 384 600 00
2½% of 1962-67	2 118,148,500 00				2,118,148 500 00
2½% of 1963-68	2,830 858 000 00		5 000.00		2,830 853 000 00
2½% of 1964-69 (dated Apr 15 1943)	3,761 368,000.00		6 000.00		3 761,362,000 00
2½% of 1964-69 (dated Sept 15, 1943)	3,838,145,500 00		6,000.00		3 838,139 500 00
2½% of 1965-70	5,197,219 500 00		13,000 00		5,197 206 500.00
2½% of 1966-71	3 480,865 000 00		10 500.00		3,480 854,500.00
2½% of 1967-72 (dated June 1 1945)	7 967 260 000.00		15 000 00		7 967 245 000 00
2½% of 1967-72 (dated Oct 20 1941)	2 716,041,150 00		3 500.00		2,716,037 650 00
2½% of 1967-72 (dated Nov 15, 1945)	11,688,868,500.00		22,500 00		11 688 846,000 00
Total Treasury bonds	119 322 882,950.00		6,791 094 550 00	69 762,400 00	112,462,026,000 00
Other bonds					
3% Panama Canal loan of 1961	49 800 000 00				49 800 000 00
2½% Postal Savings bonds (33d to 49th series)	115,896 460.00		1,527 700 00	57 520 00	114 311 240 00
Total other bonds	165 696 460.00		1 527 700.00	57 520.00	164 111 240 00
Total marketable	168,701 744 410.00	88 778 895 000 00	97 042 505,750 00	92,017 420 00	160 346 116 240.00
Nonmarketable					
Treasury savings notes					
Series C-1947	607 310,300 00	² 2,448 000 00	592 417 800 00	12,444 500.00	
Series C-1948	1 700,136 100.00		1 055 078 200 00	45 394 100.00	599 663 800 00
Series C-1949	1 724 863 500.00		508 868 700 00		1 215 994 800 00
Series C-1950	1 477,468,700 00	1 353 277,100 00	991 860 700 00		1 843,885 100 00
Series C-1951		785 158,600 00	96 688 000.00		688 470,600 00
Total Treasury savings notes	5 509 778 600.00	2,140 987 700 00	3 244 913 400 00	57 838 600 00	4,348,014,300.00
United States savings bonds [1]					
Series C-1937	175 458,665 00	3 546 354 00	158 875 519 00	20,129 500 00	
Series C-1938	506,632,114.50	21 018 530 50	229 922 890 50	66 455,425 00	231 272,329 50
Series D-1939	810,565,571 00	35,152 492.50	23 901 278.00		821 816 785 50
Series D-1940	977 475,276.75	40 355 283 50	28 424,590 50		989 405,969 75
Series D-1941	433 595,622 25	9,987 493 50	13 671 827 75		429,911 288.00
Total Series C and D	2 903 727 249 50	110 060,154 00	454 796 105 75	86,584 925.00	2,472,406 372 75
Series E-1941	1 145 053 066.25	42,382 385 75	59 462 681 00		1 127 972,771 00
Series E-1942	4,381 527 565.98	103 265 855 92	340 097 758.55		4,144 695 463 35
Series E-1943	6,495,612,663 76	155 439 483 63	620 123 885 86		6,030 928 261 53
Series E-1944	7 508 452,900 75	183 280,195.88	788 317 734 23		6 903 415 362.40
Series E-1945	6 133 635 521 29	96,431,001 10	683,601,754 34		5 546,464 768 05
Series E-1946	3 328,591 434 92	41 664 544 73	445,180,961 57		2 925 075 018 08
Series E-1947	1,845,615 393 75	2 097 613,836 94	727 230 378.12		3 215,998 852 57
Series E-1948		1 899 950,978 75	109 900 117 50		1,790 050 861 25
Total Series E	30,838 488 546.70	4 620 028 082.70	3 773 915 271 17		31,684,601 358.23
Series F-1941	207 645,739 92	6 534 836 39	10 049 947 76		204,130,628.55
Series F-1942	545,056,551 20	16 111 233 34	35,784,134 18		525,383 650.36
Series F-1943	603,244 203 61	15 227 132.96	48 520 095 27		569 951 241 30
Series F-1944	683 398 623 19	13,094,930 07	45 698 019 60		650,795,533 66

Footnotes at end of table

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30 1947	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1948
INTEREST-BEARING DEBT—Continued					
Public issues—Continued					
Nonmarketable—Continued					
United States savings bonds [1]—Continued					
Series F-1945	$546 183,662 59	$7 344,188 35	$31 956 296 15		$521 571 554 79
Series F-1946	317 632 532.80	2 643,752.75	21 823 848 83		298 952,436 72
Series F-1947	197 208,448 00	142 810 244 15	13 212,412 05		326,804 280 10
Series F-1948	-	154 603 945 00	71 965 00		154 531 980 00
Total Series F	3,101 367 761 31	358,370 263 01	206 616 718 84		3 253 121 305 48
Series G-1941	1 135 770,500 00	7 500 00	30,949 800 00		1 104,828 200.00
Series G-1942	2 193 591,100 00	1,500 00	75 063 500.00		2,118 529 100 00
Series G-1943	2 289,103 400.00	15 000 00	90 638 300 00		2,198,480 100.00
Series G-1944	2,629 406 500 00	23 700 00	97 518 300.00		2,531 911 900 00
Series G-1945	2,386 286,000 00	23,500 00	88,042,700 00		2 298 271 800 00
Series G-1946	2,596 750 900 00	77 600.00	115 943 400 00		2,480,885,100 00
Series G-1947	1 238,809 500.00	957 736 000 00	67 157 600 00		2 179 387 900 00
Series G-1948	--	930,542,500 00	257 500 00		930,285,000 00
Total Series G	14,519 717 900.00	1 888,432 300 00	565,571 100 00		15 842,579 100 00
Unclassified sales and redemptions	[2] 39 198 294.64	53,058,716.32	37 614,603 91		[2] 23 756,181 73
Total United States savings bonds	51 324,103 162.87	7 029 947 516.53	5 038,513 799 67	$86,584,925 00	53 228,951 954 73
Depositary bonds					
First Series	228,600,000 00	18,287 000 00	34 533,500.00		212,353,500 00
Second Series	96 826,000.00	10 130 000 00	2,955 500.00		104,000,500 00
Total depositary bonds	325,426,000 00	28 417 000 00	37 489 000 00		316,354 000 00
Armed forces leave bonds					
Series 1943					
Apr 1 1943	3 647 475 00	1 169 275 00	3 961 750.00	855 000 00	
July 1 1943	5 061,450 00	1 622,000 00	4,656,550 00		2,026,900 00
Oct 1, 1943	8 312,100.00	2,392,350 00	7 873,025.00		2,831,425 00
Series 1944					
Jan 1 1944	8,323 325 00	2,202 300.00	7 865 500 00		2 660 125 00
Apr 1, 1944	6 677 375.00	1,937 300 00	6 157 350 00		2 457 325.00
July 1, 1944	7 259 050 00	2,126,300 00	6 421 350 00		2,964 000 00
Oct 1 1944	8,973 150 00	2,295 125 00	8,035 800.00		3 232,475 00
Series 1945					
Jan 1 1945	18,613,275 00	4,002 850 00	16,827 975.00		5 788 150.00
Apr 1 1945	17 125 275.00	3,300,025 00	15,039 350 00		5 385 950.00
July 1 1945	58,018 675.00	6,894,300 00	48,638,975.00		16,274 000 00
Oct 1 1945	231 693 700.00	23 836 400 00	188,266,575.00		67 263,525 00

Series 1946					
Jan 1 1946	776, 775, 550 00	86, 837 000 00	626, 570 650 00		237 042, 800 00
Apr 1 1946	383 076 400 00	51 271 675 00	299 293 250 00		115, 054, 825 00
July 1, 1946	125, 445 900 00	22 291 875 00	106, 792, 325 00		40, 945, 450 00
Oct 1 1946	153 669 975.00	22 100 250 00	111 111 150 00	-	64, 659 075.00
Unclassified issues and redemptions	3, 844 675 00	[2] 4, 474 550 00	7 066 950 00		[2] 7 696, 825 00
Total armed forces leave bonds	1 796 517 350 00	229 805 375.00	1 464, 578 525.00	805, 000 00	560 889 200 00
Treasury bonds, investment series Series A-1965		969 960 000.00	10, 610 000 00		959 350 000 00
Total nonmarketable	58 955 825, 112.87	10, 399, 117 591 53	9 796 104, 724 67	145 278, 525 00	59 413 559 454.73
Total public issues	227 657 569 522 87	99, 178, 012, 591.53	106, 838, 610 474.67	237 295, 945 00	219 759 675 694 73
Special issues					
Adjusted service certificate fund 4% certificates	12, 250, 000.00	6 000, 000 00	12, 450 000.00		5 800 000.00
Alaska Railroad retirement fund 4% notes	2, 680 000 00	842, 000 00	452 000.00		3 070 000.00
Canal Zone Postal Savings System 2% notes	3, 500 000 00	750, 000 00	1 250 000.00		3 000 000 00
Canal Zone retirement fund					
4% notes	12, 107 000 00	2, 687 000 00	1, 870 000 00		12, 924, 000 00
3% notes	150 000 00	73 000.00	20, 000 00		203 000 00
Civil Service retirement fund					
4% notes	2, 429 643 000 00	877 230 000 00	519 500 000 00	-	2, 787 373 000 00
3% notes	5 595, 000 00	2, 136, 000 00	493 000 00		7 238 000 00
Farm tenant mortgage insurance fund 2% notes		1 000 000 00	-	--	1 000 000 00
Federal Deposit Insurance Corporation 2% notes	408 000 000 00	392, 000 000 00	251 000 000.00		549 000 000 00
Federal home loan banks, 1½% notes		42, 800 000 00	5 400, 000.00	-	37 400 000.00
Federal old-age and survivors insurance trust fund					
2¼% certificates		8, 059 000 000 00	350 000, 000 00		7 709 000 000 00
2% certificates	5 995 000, 000 00	300 000 000 00	6, 295 000 000 00		
1⅞% notes	1 109 000, 000 00	-	1 109 000 000 00		
Federal Savings and Loan Insurance Corporation, 2% notes	62 212, 000 00	33 050 000 00	20 800 000 00		74 462, 000.00
Foreign service retirement fund					
4% notes	9 550 000 00	3, 990 000.00	1, 638, 000.00		11, 902, 000.00
3% notes	88, 000.00	97 000.00			185 000 00
Government life insurance fund 3½% certificates	1 254, 000 000 00	1, 286 500 000 00	1 254 000, 000 00		1 286 500 000 00
Housing insurance fund 2% notes	-	2, 000, 000 00	2 000 000 00		
Mutual mortgage insurance fund, 2% notes	14, 500, 000 00	6 500 000 00	17 000 000 00		4, 000 000.00
National service life insurance fund, 3% notes	6 473 685 000 00	1 281 700 000 00	820, 700 000 00	-	6 934, 685 000 00
Postal Savings System, 2% notes	1 624, 000 000 00	865 000 000.00	580 000 000.00		1 909 000 000 00
Railroad retirement account, 3% notes	805 500 000 00	792, 000 000 00	223, 000 000 00		1 374, 500 000 00
Unemployment trust fund					
2⅛% certificates		7 923 000 000 00	423 000 000 00		7 500 000, 000 00
2% certificates	7 142, 000 000 00	192, 000, 000 00	7 334, 000, 000.00		-
War housing insurance fund 2% notes	3 000, 000 00	7 500 000 00	10 500 000.00		-
Total special issues	27 366, 450 000 00	22, 077 855 000 00	[3] 19 233 073, 000 00		30 211, 242, 000 00
Total interest bearing debt	255 024 029 522.87	121 255 867 591 53	126, 071, 683, 474.67	237 295 945 00	249 970 917 694.73

Footnotes at end of table

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30 1947	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30 1948
MATURED DEBT ON WHICH INTEREST HAS CEASED					
Postal Savings bonds, etc.					
6% Oregon war debt	$2,100.00				$2,100.00
6% Compound interest notes (1864-66) [3]	158,180.00				158,180.00
4% Refunded loan of 1907 (refunding)	343,000.00				343,000.00
4% Refunding certificate of 1879	8,200.00			$40.00	8,160.00
5% 1-year notes of 1863	29,900.00				29,900.00
6% Consols of 1867	83,650.00				83,650.00
4½% Funded loan of 1891 (refunding)	18,700.00				18,700.00
5% Loan of 1904	13,000.00				13,000.00
3% Loan of 1908-18	100,460.00			40.00	100,420.00
4% Loan of 1925	8,550.00				8,550.00
2½% Postal Savings bonds	44,680.00		$57,520.00	16,560.00	85,640.00
2% Consols of 1930	18,250.00				18,250.00
2% Panama Canal loan of 1916-36	100.00				100.00
2% Panama Canal loan of 1918-38	20.00				20.00
3% Conversion bonds of 1946	5,100.00			5,000.00	100.00
3% Conversion bonds of 1947	25,000.00			5,000.00	20,000.00
All other issues [4]	605,010.26				605,010.26
Total Postal Savings bonds, etc	1,461,900.26		57,520.00	26,640.00	1,492,780.26
Liberty loan bonds.					
First Liberty loan					
First 3½ s	3,002,700.00			624,900.00	2,377,800.00
First 4 s	113,900.00			4,250.00	109,650.00
First 4¼ s	908,700.00			116,900.00	791,800.00
First Second 4¼ s	3,450.00				3,450.00
Total	4,028,750.00			746,050.00	3,282,700.00
Second Liberty loan					
Second 4 s	407,000.00			6,300.00	400,700.00
Second 4¼ s	489,700.00			18,500.00	471,200.00
Total	896,700.00			24,800.00	871,900.00
Third Liberty loan 4¼ s	1,471,550.00			21,450.00	1,450,100.00
Fourth Liberty loan 4¼ s	5,456,050.00			389,500.00	5,066,550.00
Total Liberty loan bonds	11,853,050.00			1,181,800.00	10,671,250.00

Victory notes					
Victory 3¾ s	800 00				800.00
Victory 4¾ s	479 300.00			8,850 00	470 450.00
Total Victory notes	480,100.00			8,850.00	471,250 00
Treasury bonds					
3⅜'s of 1940-43	661 400 00			187 450 00	473 950 00
3⅜ s of 1941-43	497 700 00			53,050.00	444,650 00
3¼ s of 1941	245 350.00			45 800.00	199,550 00
3⅜ s of 1943-47	1 429 950 00			528 600 00	901 350 00
3¼'s of 1943-45	2,333 100 00			650 700 00	1 682,400 00
3¼ s of 1944-46	5 082,550 00			1 348,850 00	3 733,700 00
4 s of 1944-54	3,817 700.00			1 527,700 00	2,290,000 00
2¾ s of 1945-47	5 705 950 00			2,790,200.00	2,915 750 00
2½ s of 1945	206,350.00			61 700 00	144,650 00
3¾ s of 1946-56	2,814,900 00			1 156 500 00	1 658,400 00
3 s of 1946-48	3,706 600.00			2 001 750 00	1 704,850.00
3⅛ s of 1946-49	10,202,300 00			5 610,200 00	4,592,100 00
Various (for details see p 486)			69,762,400 00		69 762,400 00
Total Treasury bonds	38 703,850 00		69 762,400 00	15,962,500 00	90 503 750 00
3% Adjusted service bonds of 1945	15,139,250.00	$214,250 00		4,055,450 00	11 298 050.00
United States savings bonds					
Series A-1935	9 595,125 00			3,227,850.00	6,367,275.00
Series B-1936	29 801 050 00	29.00		14,448 729 00	15,352,350 00
Series C-1937	60,275 900 00	41 50	20 129 500 00	43,686,791 50	36 718,650 00
Series C-1938			66 455 425 00		66 455,425 00
Total United States savings bonds	99 672,075 00	70 50	86 584,925.00	61,363,370.50	124,893 700 00
Armed forces leave bonds series matured Apr 1 1943			855 000 00		855 000 00
Treasury notes					
Regular series					
5¾%—A-1924	16,200 00				16,200 00
4⅜%—A-1925	5 000 00			4,000.00	1 000 00
4⅞%—B-1925	27,400.00				27 400 00
4½%—C-1925	6,400 00				6,400 00
4¾%—A-1926	2,800 00				2,800 00
4¼%—B-1926	6 800 00				6,800.00
4½%—A-1927	8,600 00				8,600.00
4¾%—B-1927	11,100 00				11,100 00
3½%—A-1930-32	81 700 00				81,700 00
3½%—B-1930-32	62,400 00			50 00	62,350 00
3½%—C-1930-32	22,250 00			6 650 00	15,600.00
3¼%—1932	14,700 00			500 00	14,200.00
3%—A-1934	2,500 00				2,500 00
2⅛%—B-1934	5 000 00				5,000 00
3%—A-1935	7 000 00				7 000 00
1⅝%—B-1935	989 400 00				989 400 00

Footnotes at end of table

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30 1947	Issues during year	Transferred from interest bearing debt	Redemptions during year	Outstanding June 30 1948
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Treasury notes—*Continued*					
Regular series—Continued					
2½%—C-1935	$10,000 00				$10,000 00
2½%—D-1935	80,000 00				80 000. 00
3¼%—A-1936	57 300 00			$5 000 00	52,300 00
2¾%—B-1936	18 100 00				18,100 00
2⅞%—C-1936	98,200 00			12 500 00	85 700 00
1½%—D-1936	200 00				200 00
1⅝%—E-1936	1,300 00				1 300 00
3¼%—A-1937	115 100 00			6 000 00	109 100 00
3%—B-1937	51 000 00			12,500 00	38,500 00
3%—C-1937	20 000 00				20 000 00
2⅝%—A-1938	9 300 00				9 300 00
2⅞%—B-1938	21 700 00				21 700 00
3%—C-1938	245 000 00				245 000 00
2½%—D-1938	28 800 00			11 800 00	17 000 00
1¾%—E-1938	1 000 00			1 000 00	
2⅛%—A-1939	78,200. 00			1 000 00	77 200 00
1⅜%—B-1939	10,800 00			500 00	10,300 00
1½%—C-1939	52 400 00			51 100. 00	1,300 00
1⅜%—D-1939	500 00			500 00	
1⅝%—A-1940	370 550 00			129 000 00	241,550 00
1½%—B-1940	74,100 00			2,000 00	72 100 00
1½%—C-1940	29 500 00			7 000 00	22,500 00
1½%—A-1941	405 900. 00			310 400 00	95 500 00
1⅜%—B-1941	3 948,600 00			376,000. 00	3,572,600. 00
1¼%—C-1941	932,300 00			910 300 00	22 000 00
1¾%—A-1942	374,500 00			315 000 00	59 500. 00
2%—B-1942	119 500. 00			110,000 00	9 500 00
1¾%—C-1942	233 000 00			110 000 00	123 000 00
1⅛%—A-1943	219 500 00			184 500. 00	35,000 00
1⅛%—B-1943	196,100 00			86 800. 00	109 300 00
1%—C-1943	651 800 00			134,800 00	517 000. 00
¾%—D-1943	2,000 00				2 000 00
¾%—A-1944	373 600. 00			7 100. 00	366,500 00
1%—B-1944	802,600. 00			5 500 00	797 100 00
1%—C-1944	108,500 00			10 500. 00	98 000. 00
¾%—D-1944	88,600 00			5 000 00	83 600 00
¾%—A-1945	2 523 700 00			176 100 00	2,347 600 00
¾%—B-1945	786 100. 00			342,200 00	443 900 00
1¼%—C-1945	36 300 00			17 700 00	18,600 00
0 90%—D-1945	15,000 00			15,000. 00	

1%—A-1946	338,000 00			221 100 00	116 900 00
1½%—B-1946	1 712,900.00			1 415 000 00	297 900 00
0 90%—C-1946	22,000 00			10 000.00	12 000 00
0 90%—D-1946	679,000 00			310 000.00	369 000 00
1½%—A-1947			$601 500 00		601 500 00
1¼%—B-1947	17,092,000 00			11 560 000 00	5 532,000 00
1¼%—C-1947			5 231 000 00		5 231 000.00
Tax series					
A-1943	144,050 00			45 425 00	98 625.00
B-1943	291 900 00			121 700 00	170 200.00
A-1944	281 275 00			83 050 00	198 225 00
B-1944	246,200 00			117 700 00	128,500 00
A-1945	4 447 675 00			1 702,375 00	2 745 300 00
Savings series					
C-1945	3 337 100 00			1 315 200 00	2 021 900 00
C-1946	19 510 300 00			11 674 400.00	7 835,900 00
C-1947	49 043 100.00	$2,448 000 00	12,444,500 00	42 205 700 00	21 729 900 00
C-1948			45,394,100 00		45 394,100 00
Total Treasury notes	111 605 400 00	2,448 000 00	63 671 100 00	74 149 650 00	103 574,850 00
Certificates of indebtedness					
Tax issues, series					
4¼%—T-10	1,000 00				1 000 00
4¾%—TM-1921	500 00				500 00
6%—TJ-1921	1 500.00				1 500 00
6%—TS-1921	1 500 00				1 500 00
6%—TD-1921	2,000.00				2,000 00
5½%—TS-2-1921	1 000 00				1 000 00
5¾%—TM-1922	1 000 00				1 000 03
4½%—TS-2-1922	500 00				500 00
4½%—TD-1922	1 000 00				1 000 00
4¼%—TM-1923	1 000 00				1 000 00
3¾%—TS-1923	500.00				500 00
4½%—TM-1924	1,000.00				1 000 00
4%—TM-1925	1 000.00				1 000 00
3⅜%—TM-1929	3 500.00			3 500 00	
4½%—TJ-1929	1 700.00			600.00	1 100 00
4¾%—TS-1929	1 500.00				1 500 00
4¼%—TD-1929	3 000 00				3 000 00
4¾%—TD-2-1929	2,500.00				2,500 00
5⅛%—TM-1930	13 500.00				13,500 00
4⅞%—TJ-1930	4 500 00				4,500 00
3⅛%—TS-1930	2,000.00			2,000 00	
3¼%—TD-1930	4 000.00				4 000 00
2¾%—TJ-1932	25 000.00			25,000 00	
1⅛%—TS-1932	3 500.00				3 500 00
3%—TS-2-1932	101 000.00				101 000 00
3¾%—TM-1933	22,500 00				22,500 00
2%—First—maturing Mar 15 1933	15 250 00			7 600 00	7 650 00
1½%—TJ-1933	2,500 00				2,500 00
4%—TAG-1933	11 000.00				11 000 00
1¼%—TS-1933	12,000 00				12,000 00

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30 1947	Issues during year	Transferred from interest bearing debt	Redemptions during year	Outstanding June 30 1948
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Certificates of indebtedness—*Continued*					
Tax issues, series—Continued					
3/4%—TD-1933	$460 000 00			$400 000 00	$60, 000 00
4 1/4%—TD-2-1933	43 500 00			9, 500 00	34, 000 00
3/4%—TM-1934	1 000 00				1, 000 00
2 1/4%—TD-1934	4, 500. 00				4, 500 00
Loan issues, series					
4 1/2%—IVA-1918	500 00				500 00
5 1/4%—G-1920	1, 000 00				1 000 00
5 1/2%—H-1921	500 00				500 00
5 1/2%—A-1922	1, 000 00				1, 000 00
3 3/4%—A-1933	1 500 00				1 500 00
7/8%—B-1943	10, 000 00				10 000 00
7/8%—E-1943	40 000 00			23, 000. 00	17 000 00
7/8%—A-1944	5, 000. 00				5, 000 00
7/8%—B-1944	508 000. 00			139 000. 00	369, 000. 00
7/8%—C-1944	10 000. 00				10 000. 00
7/8%—D-1944	1 000. 00				1 000 00
7/8%—E-1944	1 299, 000 00			317 000. 00	982, 000 00
7/8%—G-1944	1 000 00				1 000 00
7/8%—A-1945	1 456 000. 00			512, 000 00	944, 000 00
7/8%—B-1945	39 000 00			1 000. 00	38, 000 00
7/8%—C-1945	1 645, 000. 00			702, 000 00	943 000 00
7/8%—E-1945	27 000 00				27 000 00
7/8%—F-1945	220 000. 00			170 000. 00	50, 000 00
7/8%—G-1945	1 000. 00			1, 000. 00	
7/8%—H-1945	3, 777 000. 00			2 008, 000 00	1 769 000 00
7/8%—A-1946	430, 000 00			253 000 00	177 000. 00
7/8%—B-1946	47 000 00			25, 000. 00	22, 000 00
7/8%—C-1946	43 000. 00			24, 000 00	19 000 00
7/8%—D-1946	50 000 00			50 000 00	
7/8%—E-1946	21, 198, 000 00			4, 184, 000 00	17 014, 000 00
7/8%—F-1946	32, 000 00			6 000 00	26, 000 00
7/8%—G-1946	381 000. 00			334, 000 00	47 000 00
7/8%—H-1946	388 000. 00			321 000. 00	67 000 00
7/8%—J-1946	1, 153 000. 00			932, 000 00	221 000 00
7/8%—K-1946	10 100 000 00			6, 780 000 00	3, 320 000. 00
7/8%—A-1947	232, 000 00			176 000 00	56, 000 00

⅞%—B-1947	1 733,000 00			1 529,000 00	204,000.00
⅞%—C-1947	1 152,000 00			1 034 000.00	118 000.00
⅞%—D-1947	1 854,000.00			1 565 000.00	289 000 00
⅞%—E-1947	10,191 000.00			9 501 000 00	690 000.00
Various (for details see p 485)			$14,316 000 00		14,316,000 00
Total certificates of indebtedness	58,778,950 00		14,316,000 00	31,035,200 00	42,059,750.00
Treasury bills series matured					
May 18, 1932	21 000.00				21 000 00
May 17, 1933	16 000.00				16,000 00
Dec 31 1935	10,000 00				10,000 00
June 3 1936	8,000 00			8 000.00	
May 12, 1937	15 000.00				15,000.00
Mar 9, 1938	10 000.00			10 000.00	
Apr 27, 1938	200,000 00			200 000 00	
May 31, 1939	200,000 00			100 000 00	100,000 00
July 12 1939	1,000 00				1 000 00
Mar 27, 1940	10,000 00				10 000.00
May 8, 1940	30,000 00			30 000 00	
June 5 1940	60,000.00			30 000.00	30 000.00
Jan 15, 1941	25 000.00			25 000 00	
Jan 29, 1941	2,000.00			2,000 00	
Mar 26 1941	1 000.00				1 000 00
June 18 1941	20 000 00				20,000 00
Jan 14 1942	4 000 00				4 000.00
Apr 22, 1942	12,000 00				12 000.00
June 3 1942	44,000 00			40 000 00	4 000 00
June 10 1942	38,000 00				38 000 00
Feb 3 1943	1 000.00				1,000.00
June 2, 1943	6,000 00				6 000.00
June 9, 1943	41,000 00			11 000 00	30,000 00
Aug 19 1943	1 000 00			1 000 00	
June 1 1944	3 000 00				3 000 00
June 8 1944	125,000 00			30,000 00	95 000.00
Aug 10, 1944	5,000 00				5 000 00
Aug 24 1944	2,000 00			2,000 00	
Aug 31 1944	5,000 00				5 000 00
Jan 4 1945	1 000.00			1,000 00	
Mar 29 1945	250 000 00			250,000.00	
June 7 1945	93 000 00			5,000 00	88,000 00
June 14, 1945	16,000 00				16,000 00
June 28 1945	20,000 00			20,000 00	
Dec. 27, 1945	1 000 00			1 000 00	
June 6 1946	2,000 00				2,000 00
June 27 1946	160 000 00			150,000 00	10,000 00
July 5 1946	5,000 00				5,000.00
July 11, 1946	32,000 00			32,000.00	

TABLE 26.—*Changes in public debt issues, fiscal year 1948*—Continued

Title	Outstanding June 30 1947	Issues during year	Transferred from interest bearing debt	Redemptions during year	Outstanding June 30 1948
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Treasury bills, series matured—Continued					
Oct 24, 1946	$320,000 00			$320,000.00	
Dec 26 1946	3,000.00				$3 000 00
Mar 13 1947	40,000.00			40 000.00	
Mar 20 1947	56 000.00				56 000.00
Mar 27 1947	3 000 00			3 000.00	
Apr 3, 1947	15 000.00			15,000.00	
May 1, 1947	249,000.00			249,000 00	
May 15 1947	12,000 00			12,000.00	
May 22, 1947	2,000 00			2 000.00	
June 5, 1947	90,000 00			90,000.00	
June 12, 1947	15,000 00			15,000 00	
June 19, 1947	560 000.00			555,000 00	5 000.00
June 26, 1947	686 000.00			686 000.00	
Various (for details see p 484)			$2,049 000 00		2,049 000 00
Total Treasury bills	3 547 000 00		2,049 000 00	2,935 000.00	2,661 000 00
Treasury (war) savings securities					
Treasury savings certificates					
Issued Dec. 15, 1921	23,225.00				23 225 00
Issued Sept 30 1922	75,875.00			2,225.00	73,650.00
Issued Dec. 1 1923	32,375.00			275.00	32,100.00
Total Treasury savings certificates	131,475.00			2,500.00	128,975.00
Total matured debt on which interest has ceased	339,373,050 26	$2,662,320.50	237 295,945.00	190,720,960 50	388,610,355.26

Title	Outstanding June 30 1947	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1948
DEBT BEARING NO INTEREST						
United States savings stamps (including unclassified sales)	$69 583,659 15	$17 654,071.61		$28 683,902.80		$58 553 827 96
Excess profits tax refund bonds						
First series	10 202 833 81	[2] 10 853 51		5,413,803.29		4,778,177 01
Second series	8,569 478.73	[2] 111,033.97		4,401,328.54		4 057 116.22
Total excess profits tax refund bonds	18,772 312.54	[2] 121,887 48		9,815,131.83		8,835,293.23
Special notes of the United States						
International Bank for Reconstruction and Development						
Series dated Nov 21 1946	98,285,000 00			50,000 000.00		48,285,000.00
Series dated Feb 24 1947	158,750,000 00			150,000 000 00		8,750 000 00
Series dated May 23, 1947	158 750,000 00			150,000 000 00		8,750,000.00
Total	415,785,000 00			350 000,000 00		65 785,000 00
International Monetary Fund						
Series dated Feb 26 1947	1,724,000,000 00			563,000 000 00		1,161 000 000 00
Total special notes of the United States	2,139 785,000 00			913,000 000 00		1,226,785,000 00
United States notes (less gold reserve)	190 641,585.07					190,641 585 07
Old demand notes	52,917 50					52,917 50
National and Federal Reserve Bank notes	516,765,561.50			58,086,710 00		458,678 851 50
Fractional currency	1,968,322.47			10 13		1,968,312.34
Thrift and Treasury savings stamps	3,728,349 00			2,266 50		3,726,082.50
Total debt bearing no interest	2,941,297 707 23	17 532,184.13		1,009,588,021.26		1,949,241 870 10
Total gross public debt	258 304,700 280.36	121 276,062,096 16	$237 295,945.00	127 271,992,456.43	$237 295 945.00	252 308,769 920.09

[1] Amounts issued and redeemed for Series C to F bonds include issue price plus accrued discount, amounts outstanding are stated at current redemption value Amounts issued retired, and outstanding for Series G bonds are stated at par value

[2] Deduct

[3] Interest compounded

[4] Represents issues in which there were no transactions during years 1930-48 for amount of each issue outstanding (unchanged since June 30, 1929), see 1929 annual report p 478

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1947		Percent		
July 1	Postal Savings bonds, 33d series	2½		$722, 120 00
1	Certificates of indebtedness Series F-1947 redeemed in exchange for certificates, Series F-1948	⅞		2, 741 064 000 00
1	Certificates of indebtedness Series F-1947	⅞		173, 746 000 00
1	Certificates of indebtedness, Series F-1948	⅞	$2 741, 964, 000 00	
	Treasury bills			
3	Issued Apr 3 1947			
	Redeemed in exchange for series dated July 3, 1947	376		810 360 000. 00
	Redeemable for cash			492 889 000 00
3	Maturing Oct 2, 1947			
	Issued in exchange for series dated Apr 3 1947	870	810 360 000 00	
	Issued for cash		402 355 000 00	
10	Issued Apr 10, 1947			
	Redeemed in exchange for series dated July 10, 1947	376		1, 141 370 000 00
	Redeemable for cash			173, 089 000 00
10	Maturing Oct 9, 1947			
•	Issued in exchange for series dated Apr 10, 1947	594	1 141 370 000 00	
	Issued for cash		158, 053 000 00	
17	Issued Apr 17 1947			
	Redeemed in exchange for series dated July 17, 1947	376		830 345 000 00
	Redeemable for cash			278 043 000 00
17	Maturing Oct 16, 1947			
	Issued in exchange for series dated Apr 17 1947	737	830 345 000 00	
	Issued for cash		271 436, 000 00	
24	Issued Apr 24 1947			
	Redeemed in exchange for series dated July 24, 1947	370		846 150 000 00
	Redeemable for cash			254 240 000 00
24	Maturing Oct 23, 1947			
	Issued in exchange for series dated Apr 24, 1947	740	846 150 000 00	
	Issued for cash		255, 311 000 00	
31	Issued May 1, 1947			
	Redeemed in exchange for series dated July 31 1947	870		867 829, 000 00
	Redeemable for cash			232, 050, 000 00
31	Maturing Oct 30, 1947			
	Issued in exchange for series dated May 1, 1947	740	867 829 000 00	
	Issued for cash		234 069 000 00	
	United States savings bonds			
31	Series C-1937	2. 90	691, 512. 00	28, 068 022. 00
31	Series C-1938	2 90	2 866 232 50	1, 111, 814 00
31	Series D-1939	2 90	4 837 152 75	2 187 101 50
31	Series D-1940	2 90	6, 926, 817 50	2, 437, 745 50
31	Series D-1941	2 90	1 960, 819 50	1, 131, 904 00
31	Series E-1941	2 90	1 015 555 00	5 148 856 00
31	Series E-1942	2 90	11 375 927 28	30 470 629 10
31	Series E-1943	2 90	11 765 490 46	56, 800, 006 25
31	Series E-1944	2 90	21, 997, 694 39	74 054 142. 98
31	Series E-1945	2 90	5, 678, 931 28	66, 856, 960 32
31	Series E-1946	2 90	4, 878 485 57	49 216 068 62
31	Series E-1947	2. 90	321, 210 423 75	47, 807, 089 81
31	Series F-1941	2 53	401 172 60	831 006 55
31	Series F-1942	2 53	2, 106, 125 52	3 030 284 51
31	Series F-1943	2. 53	1, 195 608 09	4, 559, 242 92
31	Series F-1944	2 53	2, 020, 352 43	4, 247, 905 92
31	Series F-1945	2 53	401, 114 57	2 794 995 98
31	Series F-1946	2 53	297, 086 37	1, 507 956 40
31	Series F-1947	2 53	22, 432, 878 50	170, 820 00
31	Series G-1941	2 50		2, 799 700 00
31	Series G-1942	2 50		7, 437, 200 00
31	Series G-1943	2 50	10, 000 00	8 184 300 00
31	Series G-1944	2 50	1 000 00	9 802, 300 00
31	Series G-1945	2 50		8, 221, 500 00
31	Series G-1946	2 50	10, 700 00	10, 442, 300 00

Footnotes at end of table

TABLE 27 —*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured or called or redeemed prior to maturity [4]
1947	United States savings bonds—Continued	*Percent*		
July 31	Series G–1947	2 50	$163 672 000 00	$1,090 700 00
31	Unclassified sales and redemptions		51 418 247 81	24 545 743 08
31	Depositary bonds First Series	2	1,604,000 00	3,540 000 00
31	Depositary bonds Second Series	2	5,072,000 00	112 500 00
	Armed forces leave bonds			
	Series 1943			
31	Apr 1, 1943	2½	143 025 00	29 025 00
31	July 1 1943	2½	198 875 00	36,625 00
31	Oct 1 1943	2½	253,425 00	41 050 00
	Series 1944			
31	Jan 1, 1944	2½	245 725 00	40 725 00
31	Apr 1, 1944	2½	224 675 00	50 175 00
31	July 1, 1944	2½	248 850 00	60 025 00
31	Oct 1, 1944	2½	310 725 00	55 450 00
	Series 1945			
31	Jan 1, 1945	2½	477 275 00	80 675 00
31	Apr 1, 1945	2½	432 975 00	70,925 00
31	July 1, 1945	2½	995 375 00	153 325 00
31	Oct 1, 1945	2½	3,710 475 00	534 075 00
	Series 1946			
31	Jan 1, 1940	2½	12 727 500 00	2 003,475 00
31	Apr 1 1946	2½	6,790,975 00	1 310 375 00
31	July 1, 1946	2½	3 141 125 00	630 075 00
31	Oct 1 1946	2½	4 061 050 00	579 625 00
	Unclassified issues and redemptions		2 085 125 00	[5] 458 975 00
	Treasury savings notes			
31	Series C–1947	1 07		[5] 71 266 400 00
31	Series C–1948	1 07		21 933 200 00
31	Series C–1949	1 07		86 467 800 00
31	Series C–1950	1 07	231,274 600 00	19 787 800 00
31	Miscellaneous			5 000 00
	Total July		9 563 170 203 72	9 505 595 874 50
Aug 1	Certificates of indebtedness Series G–1947 redeemed in exchange for certificates Series G–1948	⅞	-	1,120 672 000 00
1	Certificates of indebtedness Series G–1947	⅞		90 781 000 00
1	Certificates of indebtedness, Series G–1948	⅞	1 120 672,000 00	-
7	Treasury bills			
	Issued May 8, 1947			
	Redeemed in exchange for series dated Aug 7, 1947	876		878 240 000 00
	Redeemable for cash		-	233,321,000 00
7	Maturing Nov 6, 1947			
	Issued in exchange for series dated May 8, 1947	740	878,240,000 00	-
	Issued for cash		224 937 000 00	-
14	Issued May 15, 1947			
	Redeemed in exchange for series dated Aug 14, 1947	376		1,009 053 000 00
	Redeemable for cash		-	193 424 000 00
14	Maturing Nov 13, 1047			
	Issued in exchange for series dated May 15, 1947	741	1,009 053 000 00	-
	Issued for cash		192,305 000 00	-
21	Issued May 22, 1947			
	Redeemed in exchange for series dated Aug 21, 1947	376	-	1 006 950 000 00
	Reedemable for cash			196 520 000 00
21	Maturing Nov 20, 1947			
	Issued in exchange for series dated May 22, 1947	741	1 006 950 000 00	-
	Issued for cash		104 280,000 00	-
28	Issued May 29, 1947			
	Redeemed in exchange for series dated Aug 28, 1947	870	-	1,059 070 000 00
	Redeemable for cash		-	252,380 000 00
28	Maturing Nov 28 1947			
	Issued in exchange for series dated May 29 1947	752	1,059 070 000 00	
	Issued for cash		242 609 000 00	

Footnotes at end of table.

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1947	United States savings bonds	*Percent*		
Aug 31	Series C-1937	2.90	$541,425.50	[5] $23,171,080.50
31	Series C-1938	2.90	1,536,798.50	1,150,016.00
31	Series D-1939	2.90	2,478,335.25	1,754,390.50
31	Series D-1940	2.00	2,554,013.25	2,110,639.00
31	Series D-1941	2.90	1,824,346.75	1,064,930.50
31	Series E-1941	2.90	1,155,072.25	4,621,213.00
31	Series E-1942	2.90	7,062,661.02	28,332,926.15
31	Series E-1943	2.90	9,393,040.43	52,724,557.98
31	Series E-1944	2.90	16,795,493.28	68,858,079.82
31	Series E-1945	2.90	4,220,133.06	61,695,413.70
31	Series E-1946	2.90	3,424,000.64	43,517,629.55
31	Series E-1947	2.90	289,376,411.50	48,343,906.57
31	Series F-1941	2.53	260,216.05	729,566.44
31	Series F-1942	2.53	1,054,339.62	3,119,187.71
31	Series F-1943	2.53	677,710.75	3,902,961.42
31	Series F-1944	2.53	958,127.03	3,001,886.37
31	Series F-1945	2.53	235,577.72	2,534,923.35
31	Series F-1946	2.53	170,065.17	1,670,299.25
31	Series F-1947	2.53	20,423,667.00	356,458.00
31	Series G-1941	2.50		2,880,000.00
31	Series G-1942	2.50		5,572,300.00
31	Series G-1943	2.50		6,452,600.00
31	Series G-1944	2.50		7,747,900.00
31	Series G-1945	2.50		7,567,700.00
31	Series G-1946	2.50	1,000.00	10,025,900.00
31	Series G-1947	2.50	145,056,000.00	1,794,700.00
31	Unclassified sales and redemptions		4,748,351.86	0,540,354.94
31	Depositary bonds, First Series	2	2,350,000.00	1,314,500.00
31	Depositary bonds, Second Series	2	213,000.00	1,328,000.00
	Armed forces leave bonds			
	Series 1943			
31	Apr. 1, 1943	2½	140,150.00	15,325.00
31	July 1, 1943	2½	197,000.00	21,075.00
31	Oct. 1, 1943	2½	309,650.00	27,475.00
	Series 1944			
31	Jan. 1, 1944	2½	294,800.00	24,475.00
31	Apr. 1, 1944	2½	272,400.00	28,725.00
31	July 1, 1944	2½	288,725.00	39,175.00
31	Oct. 1, 1944	2½	322,600.00	29,275.00
	Series 1945			
31	Jan. 1, 1945	2½	595,775.00	45,675.00
31	Apr. 1, 1945	2½	557,150.00	40,650.00
31	July 1, 1945	2½	1,193,425.00	91,050.00
31	Oct. 1, 1945	2½	4,460,825.00	270,600.00
	Series 1946			
31	Jan. 1, 1946	2½	16,867,775.00	1,118,175.00
31	Apr. 1, 1946	2½	9,800,625.00	726,800.00
31	July 1, 1946	2½	4,572,125.00	376,250.00
31	Oct. 1, 1946	2½	4,336,600.00	314,050.00
31	Unclassified issues and redemptions	2½	[6] 562,875.00	[6] 721,225.00
	Treasury savings notes			
31	Series C-1947	1.07	-	[6] 45,685,600.00
31	Series C-1948	1.07	---	13,329,800.00
31	Series C-1949	1.07	--	27,113,700.00
31	Series C-1950	1.07	153,922,500.00	17,822,700.00
31	Miscellaneous		--	1,500.00
	Total, August		6,648,215,535.63	6,563,101,870.75
Sept 1	Certificates of indebtedness, Series H-1947, redeemed in exchange for certificates, Series H-1948	⅞	-	2,209,163,000.00
1	Certificates of indebtedness, Series H-1947	⅞		131,842,000.00
1	Certificates of indebtedness, Series H-1948	⅞	2,209,103,000.00	-
	Treasury bills			
4	Issued June 5, 1947			
	Redeemed in exchange for series dated Sept. 4, 1947	376	-	1,008,148,000.00
	Redeemable for cash		-	299,271,000.00
4	Maturing Dec. 4, 1947			
	Issued in exchange for series dated June 5, 1947	766	1,008,148,000.00	-
	Issued for cash		204,082,000.00	--

Footnotes at end of table.

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured or called or redeemed prior to maturity [4]
1947	Treasury bills—Continued			
Sept 11	Issued June 12, 1947			
	Redeemed in exchange for series dated Sept 11, 1947	*Percent* 376	-	$1 048 783 000 00
	Redeemable for cash		-	254, 395, 000 00
11	Maturing Dec 11, 1947			
	Issued in exchange for series dated June 12 1947	789	$1 048 783 000 00	-
	Issued for cash		254 107 000 00	-
15	Treasury notes, Series A-1947 redeemed in exchange for Treasury notes, Series B-1948	1½	-	2 580 098 000 00
	Treasury notes, Series A-1947		-	127 191 000 00
15	Treasury notes Series C-1947, redeemed in exchange for Treasury notes, Series B-1948	1¼	-	1, 511 952 000 00
	Treasury notes, Series C-1947			175 292 000 00
15	Treasury notes Series B-1948	1	4 092, 050, 000 00	-
	Treasury bills			
18	Issued June 19 1947			
	Redeemed in exchange for series dated Sept 18 1947	376	-	1, 120 232 000 00
	Redeemable for cash			185 138 000 00
18	Maturing Dec 18 1947			
	Issued in exchange for series dated June 19, 1947	302	1 120 232 000 00	-
	Issued for cash		182 077 000 00	-
25	Issued June 26 1947			
	Redeemed in exchange for series dated Sept 25, 1947	376		794 902 000 00
	Redeemable for cash			308, 702 000 00
25	Maturing Dec 26 1947			
	Issued in exchange for series dated June 26 1947	808	794 932 000 00	-
	Issued for cash		307, 217 000 00	-
	United States savings bonds			
30	Series C-1937	2 90	450 608 50	[5] 21 412 222 50
30	Series C-1938	2 90	1 462 487 50	1, 104, 668 50
30	Series D-1939	2 90	2 090 119 00	1, 817 412 50
30	Series D-1940	2 90	3 812 878 75	1, 974 308 25
30	Series D-1941	2 90	559 942 25	924 810 25
30	Series F-1941	2 90	1 114 735 50	4, 347 132 25
30	Series F-1942	2 90	7 054 422 08	27 347 255 25
30	Series E-1943	2.90	21 825 311 75	51 027 308 90
30	Series E-1944	2 90	8 523 658 10	00 295 728 00
30	Series E-1945	2 90	3, 912 266 25	50, 018 383 50
30	Series E-1946	2 90	3 808 026 61	41, 213 027 77
30	Series E-1947	2 90	304 286 071 25	52, 184 506 65
30	Series F-1941	2 53	270, 357 94	840 708 74
30	Series F-1942	2 53	1, 221 097 88	2 878, 758 19
30	Series F-1943	2 53	2 196 059 95	4, 516, 417 24
30	Series F-1944	2 53	291 850 26	4 401 413 15
30	Series F-1945	2 53	197, 832 64	3 003 157 15
30	Series F-1946	2 53	105 806 70	1, 978 181 47
30	Series F-1947	2 53	20 901, 947 50	527 268 50
30	Series G-1941	2.50	-	2 567 700 00
30	Series G-1942	2.50	-	5, 947 700 00
30	Series G-1943	2 50	-	7 529 900 00
30	Series G-1944	2 50	-	7, 607 700 00
30	Series G-1945	2.50	-	7 085 800 00
30	Series G-1946	2.50	55 000 00	10 249 300 00
30	Series G-1947	2.50	143 079 200 00	3 228 300 00
30	Unclassified sales and redemptions		[6] 2, 868 681 94	88 805 387 00
30	Depositary bonds, First Series	2	470 000 00	3, 206 000 00
30	Depositary bonds Second Series	2	130, 000 00	00 000 00
	Armed forces leave bonds			
	Series 1943			
30	Apr 1 1943	2½	167 850 00	270 800 00
30	July 1, 1943	2½	224 300 00	410 550 00
30	Oct 1, 1943	2½	363, 925 00	713 225 00
	Series 1944			
30	Jan 1, 1944	2½	300 175 00	788 725 00
30	Apr 1, 1944	2½	345, 750 00	557, 325 00
30	July 1 1944	2½	366, 400 00	500 250 00
30	Oct 1 1944	2½	397 875 00	735, 625 00

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Armed forces leave bonds—Continued			
1947	Series 1945	*Percent*		
Sept 30	Jan 1 1945	2½	$680 025 00	$1 710 825 00
30	Apr 1 1945	2½	644 825 00	1 560 675 00
30	July 1, 1945	2½	1 277, 700 00	5 677 025 00
30	Oct 1 1945	2½	4 573 375 00	20 120 775 00
	Series 1946			
30	Jan 1, 1946	2½	17 288 375 00	05 539 700 00
30	Apr 1 1946	2½	11 083 975 00	28 875 400 00
30	July 1, 1940	2½	5 698 025 00	0 689 225 00
30	Oct 1 1916	2½	4 760 575 00	7 302 025 00
30	Unclassified issues and redemptions	2½	580 625 00	744 370 575 00
	Treasury savings notes			
30	Series C–1947	1 07		[5] 70 417 200 00
80	Series C–1948	1 07		46 905 800 00
30	Series C–1949	1 07		82 507 300 00
30	Series C–1950	1 07	170 094, 900 00	75 681 500 00
30	Miscellaneous			2 000 00
	Total September		12 055 844 074 37	13 358 887 257 51
Oct 1	Treasury bonds investment series Series A–1905	2½	009 960 000 00	
1	Certificates of indebtedness, Series J–1047, redeemed in exchange for certificates Series J–1948	⅞		1, 353 966 000 00
1	Certificates of indebtedness Series J–1947	⅞		85, 597, 000 00
1	Certificates of indebtedness, Series J–1048	⅞	1 353 966 000 00	
	Treasury bills			
2	Issued July 3 1047			
	Redeemed in exchange for series dated Oct 2, 1047	870		1, 154 741 000 00
	Redeemable for cash			147 974 000 00
2	Maturing Jan 2 1948			
	Issued in exchange for series dated July 3 1047	817	1, 154 741, 000 00	
	Issued for cash		140, 007 000 00	
9	Issued July 10, 1047			
	Redeemed in exchange for series dated Oct 9 1947	594		1 118, 875 000 00
	Redeemable for cash			180, 148, 000 00
9	Maturing Jan 8 1048			
	Issued in exchange for series dated July 10 1947	827	1 118, 875 000 00	
	Issued for cash		189, 879, 000 00	
15	Treasury bonds of 1047–52 called for redemption on Oct 15, 1947	4¼		758, 945, 800 00
	Treasury bills			
10	Issued July 17 1947			
	Redeemed in exchange for series dated Oct 10, 1047	737		819 042 000 00
	Redeemable for cash			282 739, 000 00
16	Maturing Jan 15, 1948			
	Issued in exchange for series dated July 17, 1947	835	819, 042 000 00	
	Issued for cash		285, 719, 000 00	
23	Issued July 24 1047			
	Redeemed in exchange for series dated Oct 23 1947	740		719 750 000 00
	Redeemable for cash			881, 711, 000 00
23	Maturing Jan 22, 1948			
	Issued in exchange for series dated July 24 1947	855	719 750 000 00	
	Issued for cash		383, 750, 000 00	
80	Issued July 31, 1947			
	Redeemed in exchange for series dated Oct 30 1947	740		777, 841, 000 00
	Redeemable for cash			324, 057, 000 00
80	Maturing Jan 29 1948			
	Issued in exchange for series dated July 31, 1947	873	777 841, 000 00	
	Issued for cash		323, 643 000 00	

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1947	United States savings bonds	*Percent*		
Oct 31	Series C-1937	2 90	$480 988 50	[5] $24 302 236 00
31	Series C-1938	2.90	1 472,088 50	1 351 541 00
31	Series D-1930	2.00	2,032,387 50	1 909 218 00
31	Series D-1940	2.00	1 080 054 50	2 453 446 50
31	Series D-1941	2.90	681 348 00	1 219 031 50
31	Series E-1941	2.90	1 248,260 75	5 210 503 00
31	Series E-1942	2.00	7 880 663 28	30 187 809 14
31	Series E-1943	2.00	16 928 051 50	56 008 952.24
31	Series E-1944	2.90	7 020 091 33	71 471 651 14
31	Series E-1945	2.90	4 512 122 40	02 748 381 24
31	Series E-1940	2.00	3 342,568 18	42 350 302 77
31	Series E-1947	2.90	806 703 508 50	61 608 571 25
31	Series F-1941	2.53	340 347 31	745 818 77
31	Series F-1042	2.53	1 039 909 88	2,424 393 05
31	Series F-1943	2 53	2 087 578 05	3 424 278 33
31	Series F-1944	2.53	220 373 23	2,872,156 41
31	Series F-1945	2.53	255 078 34	2 652,987 53
31	Series F-1946	2.53	101 288 55	1 184 571 94
31	Series F-1947	2.53	21 024 301 00	806 933 00
31	Series G-1941	2 50	7 500 00	1 045 500 00
31	Series G-1942	2 50		5 331 400 00
31	Series G-1943	2.50	-	7 239 900 00
31	Series G-1944	2.50		7 015 500 00
31	Series G-1945	2 50		6 678 100 00
31	Series G-1946	2 50		0 200 400 00
31	Series G-1047	2 50	160,211 200 00	3 778 900 00
31	Unclassified sales and redemptions		[6] 630 400 84	[6] 13 748 995 23
31	Depositary bonds, First Series	2	482,000 00	5 01[illegible] 000 00
31	Depositary bonds, Second Series	2	80 000 00	4 000.00
	Armed forces leave bonds			
	Series 1943			
31	Apr 1, 1043	2½	100 075 00	811 050 00
31	July 1, 1043	2½	286 500 00	1 195 825 00
31	Oct 1, 1943	2½	462,450 00	2,007 600 00
	Series 1944			
31	Jan 1, 1044	2½	412,450 00	2,249 450 00
31	Apr 1, 1044	2½	332,200 00	1 667 100 00
31	July 1, 1944	2½	375,350 00	1 006 550 00
31	Oct 1, 1944	2½	402,425 00	2,160 275 00
	Series 1945			
31	Jan 1 1045	2½	793 075 00	4,060 7[illegible]0 00
31	Apr 1, 1945	2½	601,050 00	4,406 050 00
31	July 1, 1945	2½	1,294 125 00	15 373 475 00
31	Oct 1, 1945	2½	4 350,900 00	57,570 175 00
	Series 1046			
31	Jan 1 1946	2½	10 031 225 00	190 857 825 00
31	Apr 1 1046	2½	9 162,525 00	88 079,525 00
31	July 1, 1946	2½	3 848,450 00	30 032,850 00
31	Oct 1, 1940	2½	3 321,400 00	25 581 825 00
31	Unclassified issues and redemptions	2½	[6] 172,225 00	[6] 271 877 250 00
	Treasury savings notes			
31	Series C-1947	1 07	-	[5] 38 029 300 00
31	Series C-1948	1 07	-	25 853 800 00
31	Series C-1949	1 07		28 857 800 00
31	Series C-1950	1 07	214,729 200 00	34,881 200 00
31	Miscellaneous			11 500 00
	Total, October		0 036 008 153 12	8 800 310 723 18
Nov 1	Certificates of indebtedness Series K-1047, redeemed in exchange for certificates Series K-1948	⅞	- - -	1 467,070 000 00
	Certificates of indebtedness Series K-1947	⅞		307,502,000 00
1	Certificates of indebtedness, Series K-1048	1	1,467 076,000 00	- -
	Treasury bills			
6	Issued Aug 7, 1947			
	Redeemed in exchange for series dated Nov 6, 1047	740	- -	748 820 000 00
	Redeemable for cash	-	-	854,357,000 00
6	Maturing Feb 5, 1948			
	Issued in exchange for series dated Aug 7, 1947	805	748 820,000 00	- -
	Issued for cash	-	253,063 000 00	- - -

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1947	Treasury bills—Continued			
Nov 13	Issued Aug 14, 1947			
	Redeemed in exchange for series dated Nov 13, 1947	*Percent* 741		$846 857 000 00
	Redeemable for cash			354 501 000 00
13	Maturing Feb 13, 1948			
	Issued in exchange for series dated Aug 14 1947	912	$846 857 000 00	
	Issued for cash		256,693,000 00	
20	Issued Aug 21, 1947			
	Redeemed in exchange for series dated Nov 20, 1947	741		883 907 000 00
	Redeemable for cash	-	-	317 269 000 00
20	Maturing Feb 19, 1948			
	Issued in exchange for series dated Aug 21, 1947	932	883 967 000 00	
	Issued for cash		213,432,000 00	
28	Issued Aug 28, 1947			
	Redeemed in exchange for series dated Nov 28 1947	752	-	1 110,845 000 00
	Redeemable for cash	-		100 334 000 00
28	Maturing Feb 26 1948			
	Issued in exchange for series dated Aug 28, 1947	940	1,110 845 000 00	
	Issued for cash		91,900 000 00	
	United States savings bonds			
30	Series C-1937	2 90	492 553 50	[5] 10,384 001 50
30	Series C-1938	2 90	1,322,508 00	1 142 532 50
30	Series D-1939	2 90	2,403 329 25	1 552 010 50
30	Series D-1940	2 90	1,621 555 00	1 930,753 50
30	Series D-1941	2 90		064 098 00
30	Series E-1941	2 90	2 449 763 00	4 377 453 25
30	Series E-1942	2 90	3 279 929 53	25 122,704 50
30	Series E-1943	2 90	0 307,176 00	40 277 074 00
30	Series E-1944	2 90	12 270 479 72	58 448,627 42
30	Series E-1945	2 90	10 262 815 62	50 315 278 03
30	Series E-1946	2 90	4 108,336 60	33 860 265 41
30	Series E-1947	2 90	246 930,534 00	53 093 503 47
30	Series F-1941	2 53	1 029 597 02	305 290 48
30	Series F-1942	2 53	1 050 397 91	2 544 687 13
30	Series F-1943	2 53	037 309 58	4 120 490 53
30	Series F-1944	2 53	600 120 77	3,018 817 40
30	Series F-1945	2 53	707 704 00	2 087 800 00
30	Series F-1946	2 53	163 215 02	1 018,677 63
30	Series F-1947	2 53	19 909 274 50	734 240 50
30	Series G-1941	2 50	-	2 333 200 00
30	Series G-1942	2 50		5 331 600 00
30	Series G-1943	2 50		7 253 100 00
30	Series G-1944	2 50		7 333 300 00
30	Series G-1945	2 50	11 200 00	7 700 700 00
30	Series G-1946	2 50	800 00	8 955 000 00
30	Series G-1947	2 50	142 920 400 00	3 997 800 00
30	Unclassified sales and redemptions		901 093 85	[6] 1 617 446 33
30	Depositary bonds, First Series	2	2 151 000 00	2,978 000 00
30	Depositary bonds Second Series	2	54 000 00	34 000 00
	Armed forces leave bonds			
	Series 1943			
30	Apr 1, 1943	2½	107 050 00	573 025 00
30	July 1 1943	2½	235 975 00	842 175 00
30	Oct 1 1943	2½	350 400 00	1 487 725 00
	Series 1944			
30	Jan 1 1944	2½	305 700 00	1 402 275 00
30	Apr 1, 1944	2½	207 900 00	1 120 425 00
30	July 1, 1944	2½	290 525 00	1 152 400 00
30	Oct 1 1944	2½	323 175 00	1,502 325 00
	Series 1945			
30	Jan 1, 1945	2½	517 100 00	3 129 975 00
30	Apr 1, 1945	2½	383 125 00	2,841,075 00
30	July 1, 1945	2½	730 225 00	9 001 500 00
30	Oct 1, 1945	2½	2,744 175 00	35,039,425 00

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Armed forces leave bonds—Continued			
1947	Series 1946	*Percent*		
Nov 30	Jan 1 1946	2½	$9,651,825.00	$118,023,150.00
30	Apr 1 1946	2½	5,384,075.00	58,286,050.00
30	July 1, 1946	2½	1,663,825.00	20,737,325.00
30	Oct 1 1946	2½	1,671,475.00	21,135,325.00
30	Unclassified issues and redemptions	2½	[6] 937,075.00	[6] 183,847,000.00
	Treasury savings notes			
30	Series C-1947	1.07	-	[5] 109,020,800.00
30	Series C-1948	1.07	-	9,044,300.00
30	Series C-1949	1.07	-	17,632,400.00
30	Series C-1950	1.07	177,100,200.00	35,206,300.00
30	Miscellaneous			4,600.00
	Total November		9,548,297,447.93	7,290,276,778.11
Dec 1	Certificates of indebtedness, Series L-1947, redeemed in exchange for Treasury notes Series A-1949	⅞	-	2,907,780,000.00
	Certificates of indebtedness, Series L-1947	⅞	-	873,003,000.00
1	Treasury bonds of 1947 redeemed in exchange for Treasury notes Series A-1949	2		627,020,000.00
1	Treasury notes Series A-1949	1⅛	3,534,818,000.00	
	Treasury bills			
4	Issued Sept 4, 1947			
	Redeemed in exchange for series dated Dec 4 1947	.706	-	873,790,000.00
	Redeemable for cash			428,440,000.00
4	Maturing Mar 4 1948			
	Issued in exchange for series dated Sept 4 1947	.944	873,790,000.00	
	Issued for cash		327,315,000.00	-
11	Issued Sept 11 1947			
	Redeemed in exchange for series dated Dec 11 1947	.789	-	855,166,000.00
	Redeemable for cash		-	447,730,000.00
11	Maturing Mar 11 1948			
	Issued in exchange for series dated Sept 11 1947	.948	855,100,000.00	
	Issued for cash		849,888,000.00	-
15	Treasury bonds of 1947	2	-	74,043,900.00
18	Treasury bills			
	Issued Sept 18, 1947			
	Redeemed in exchange for series dated Dec 18 1947	.802		971,152,000.00
	Redeemable for cash		-	831,157,000.00
18	Maturing Mar 18 1948			
	Issued in exchange for series dated Sept 18, 1947	.949	971,152,000.00	-
	Issued for cash	-	830,878,000.00	-
26	Issued Sept 25 1947			
	Redeemed in exchange for series dated Dec 26 1947	.808	-	794,512,000.00
	Redeemable for cash		-	307,607,000.00
26	Maturing Mar 25 1948			
	Issued in exchange for series dated Sept 25 1947	.951	794,512,000.00	-
	Issued for cash	-	808,218,000.00	-
	United States savings bonds			
31	Series C-1937	2.90	872,473.00	[5] 120,008,454.50
31	Series C-1938	2.90	1,942,344.50	1,757,484.00
31	Series D-1939	2.90	8,854,947.50	2,270,180.00
31	Series D-1940	2.90	2,078,553.75	2,514,097.50
31	Series D-1941	2.90	-	1,257,106.50
31	Series E-1941	2.90	5,923,729.75	5,403,521.25
31	Series E-1942	2.90	10,298,630.29	31,090,183.86
31	Series E-1943	2.90	10,198,910.36	56,471,127.01
31	Series E-1944	2.90	26,971,105.45	70,422,806.00
31	Series E-1945	2.90	10,050,743.11	62,141,013.35
31	Series E-1946	2.90	4,601,704.42	39,951,009.37
31	Series E-1947	2.90	323,937,725.00	76,278,952.38
31	Series F-1941	2.53	1,013,975.80	1,080,923.73
31	Series F-1942	2.53	1,302,727.93	8,052,442.02
31	Series F-1943	2.53	577,132.90	8,463,748.45
31	Series F-1944	2.53	1,838,465.69	3,330,347.56

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1947	United States savings bonds—Continued	*Percent*		
Dec 31	Series F-1945	2.53	$1 579 034 36	$2,060 401 13
31	Series F-1946	2.53	215 373 15	2 105 160 54
31	Series F-1947	2.53	20 841 582 00	1 071 890 00
31	Series G-1941	2.50		3 236,800 00
31	Series G-1942	2.50		9 132 800 00
31	Series G-1943	2.50		6 991 800 00
31	Series G-1944	2.50		8 969 400 00
31	Series G-1945	2.50		7 380 000 00
31	Series G-1946	2.50		9 387 300 00
31	Series G-1947	2.50	134 115 800 00	4 783 400 00
31	Unclassified sales and redemptions		7 864 639 80	[5] 14 262,716 92
31	Depositary bonds First Series	2		1,005 000 00
31	Depositary bonds Second Series	2	58,000 00	105,000 00
	Armed forces leave bonds			
	Series 1943			
31	Apr 1 1943	2½	142,550 00	544,650 00
31	July 1, 1943	2½	180 375 00	735 475 00
31	Oct 1, 1943	2½	269 800 00	1 303 400 00
	Series 1944			
31	Jan 1 1944	2½	245 700 00	1 253 025 00
31	Apr 1 1944	2½	210 650 00	1 003 200 00
31	July 1 1944	2½	242 225 00	1 025 425 00
31	Oct 1, 1944	2½	232,200 00	1 302,725 00
	Series 1945			
31	Jan 1 1945	2½	381 050 00	2,617 450 00
31	Apr 1, 1945	2½	298 850 00	2,323 400 00
31	July 1 1945	2½	572 425 00	7 228,200 00
31	Oct 1 1945	2½	1 654 975 00	28,761,400 00
	Series 1946			
31	Jan 1 1946	2½	9 725 750 00	95 762 075 00
31	Apr 1 1946	2½	3 803 400 00	47 055 475 00
31	July 1 1946	2½	1 329 025 00	17 149 275 00
31	Oct 1 1946	2½	1 399 075 00	17 370 000 00
31	Unclassified issues and redemptions	2½	[6] 2 919,025 00	[6] 139 017 525 00
	Treasury savings notes			
31	Series C-1947	1.07		[6] 226 930 100 00
31	Series C-1948	1.07		70 931 100 00
31	Series C-1949	1.07		70 754,500 00
31	Series C-1950	1.07	307 343,900 00	142,441 800 00
31	Miscellaneous			2,500 00
	Total, December		9,297 553 483 76	10 121 733 542.73
1948				
Jan 1	Postal Savings bonds, 34th Series	2½		860 600 00
1	Certificates of indebtedness, Series A-1948, redeemed in exchange for certificates, Series A-1949	⅞		2,591 911,000 00
	Certificates of indebtedness, Series A-1948	⅞		542,286,000 00
1	Certificates of indebtedness, Series A-1949	1⅛	2,591,911,000 00	
	Treasury bills			
2	Issued Oct 2, 1947			
	Redeemed in exchange for series dated Jan 2, 1948	817		1 006 410,000 00
	Redeemable for cash			294,932 000 00
2	Maturing Apr 1, 1948			
	Issued in exchange for series dated Oct 2 1947	952	1,006,416 000 00	
	Issued for cash		297,574,000 00	
8	Issued Oct 9, 1947			
	Redeemed in exchange for series dated Jan 8, 1948	827	-	648,349 000 00
	Redeemable for cash			655 405 000 00
8	Maturing Apr 8 1948			
	Issued in exchange for series dated Oct 9 1947	950	648,349,000 00	
	Issued for cash		656,775,000 00	
15	Issued Oct 16 1947			
	Redeemed in exchange for series dated Jan 15, 1948	835	-	603,447,000 00
	Redeemable for cash		-	501,314,000 00

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured or called or redeemed prior to maturity [4]
1948	Treasury bills—Continued			
Jan 15	Maturing Apr 15, 1948			
	Issued in exchange for series dated Oct 16, 1947	*Percent* 976	$603,447 000 00	
	Issued for cash		309,819,000 00	
22	Issued Oct 23 1947			
	Redeemed in exchange for series dated Jan 22, 1948	855	-	$532 910 000 00
	Redeemable for cash			570 590 000 00
22	Maturing Apr 22 1948			
	Issued in exchange for series dated Oct 23, 1947	981	532,910 000 00	
	Issued for cash		409 980,000 00	
29	Issued Oct 30 1947			
	Redeemed in exchange for series dated Jan 29, 1948	873	-	571 151 000 00
	Redeemable for cash		-	530,333 000 00
29	Maturing Apr 29 1948			
	Issued in exchange for series dated Oct 30, 1947	990	571,151 000 00	
	Issued for cash		430,313 000 00	
	United States savings bonds			
31	Series C-1938	2.90	2 835 500 00	40,183 704 00
31	Series D-1939	2 90	4 700 320 50	2 467,038 00
31	Series D-1940	2.90	7 533 210 75	2 079 503 25
31	Series D-1941	2.90	1 937 187 25	1 239 402.25
31	Series E-1941	2 90	1 585 812 00	5 017 350 00
31	Series E-1942	2 90	11 068 109 00	27 047 728 75
31	Series E-1943	2.90	11 270 788 35	40 932 724 52
31	Series E-1944	2 90	20 955 810 88	63 471 068 83
31	Series E-1945	2.90	8,062 802 86	55,457 203 85
31	Series E-1946	2.90	3 086 655 87	34 658 740 02
31	Series E-1947	2.90	283 450 780 07	74 601 156 04
31	Series E-1948	2.90	159 140 182 50	5 831 25
31	Series F-1941	2 53	386 825 65	558 438 15
31	Series F-1942	2 53	2 234 863 30	3 137 672 70
31	Series F-1943	2 53	1 282 789 18	3 425 745 52
31	Series F-1944	2 53	2 477 793 80	3 820 496 90
31	Series F-1945	2 53	469 018 70	2,925 375 80
31	Series F-1946	2.53	336,554 00	1 600 131 30
31	Series F-1947	2 53	19 169 054 55	1 111 190 70
31	Series F-1948	2 53	19 958 984 00	-
31	Series G-1941	2.50	-	1 932,900.00
31	Series G-1942	2 50	1 100 00	6,075 900 00
31	Series G-1943	2 50	9 600 00	6,730 800 00
31	Series G-1944	2 50	-	7 853 000 00
31	Series G-1945	2.50	1 200 00	0 845 300 00
31	Series G-1946	2 50	500 00	9 414 500 00
31	Series G-1947	2.50	89 955 100 00	6 741,000 00
31	Series G-1948	2 50	126 923 800 00	-
31	Unclassified sales and redemptions		75 453 300 31	[5] 1 219 434 09
31	Depositary bonds, First Series	2	5 599 000 00	6,895 000 00
31	Depositary bonds Second Series	2	4 225,000 00	158 000 00
	Armed forces leave bonds			
	Series 1943			
31	Apr 1, 1943	2½	94,625 00	474 125 00
31	July 1 1943	2½	113 400 00	581 950 00
31	Oct 1 1943	2½	173 275 00	994,450 00
	Series 1944			
31	Jan 1 1944	2½	120,425 00	896 100 00
31	Apr 1, 1944	2½	118 825 00	748 150 00
31	July 1 1944	2½	143 275 00	794 850 00
31	Oct 1 1944	2½	153 500 00	087 300 00
	Series 1945			
31	Jan 1, 1945	2½	308 425 00	1 853 525 00
31	Apr 1, 1945	2½	201 200 00	1 028,850 00
31	July 1 1945	2½	441 375 00	4 734 875 00
31	Oct 1, 1945	2½	1 837,400 00	19,080 075 00
	Series 1946			
31	Jan 1, 1946	2½	4,144 325 00	62 642 050 00
31	Apr 1, 1946	2½	2,881 250 00	31 158 150 00
31	July 1, 1946	2½	1 051 050 00	12,117 725 00
31	Oct 1, 1946	2½	959 400 00	10 388 175 00
31	Unclassified issues and redemptions	2½	[5] 909 275 00	[5] 97 064 325 00

Footnotes at end of table

TABLE 27 —*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured or called or redeemed prior to maturity [4]
1948	Treasury savings notes	*Percent*		
Jan 31	Series C–1948	1 07		$ 0 405 000 00
31	Series C–1949	1 07		21 875 200 00
31	Series C–1950	1 07	$43 495 600 00	52 418 050 00
31	Series C–1951	1 07	09 799 200 00	
31	Miscellaneous			4 000 00
	Total January		9 227 481 309 27	0 667 311 872 70
Feb 1	Certificates of indebtedness Series B–1948 redeemed in exchange for certificates, Series B–1949	⅞		2 188 813 000 00
	Certificates of indebtedness Series B–1948	⅞		1 757 847 000 00
1	Certificates of indebtedness, Series B–1949	1⅛	2 188 813 000 00	
	Treasury bills			
5	Issued Nov 0 1947			
	Redeemed in exchange for series dated Feb 5, 1948	805		100 020 000 00
	Redeemable for cash			841 263 000 00
5	Maturing May 6, 1948			
	Issued in exchange for series dated Nov 0 1047	990	100 020,000 00	
	Issued for cash		742 574,000 00	
13	Issued Nov 13 1947			
	Redeemed in exchange for series dated Feb 13 1048	912		504 003 000 00
	Redeemable for cash			530,487,000 00
13	Maturing May 13 1948			
	Issued in exchange for series dated Nov 13 1947	904	504 003 000 00	
	Issued for cash		436 137 000 00	
19	Issued Nov 20, 1947			
	Redeemed in exchange for series dated Feb 19 1948	932		630 348 000 00
	Redeemable for cash			472 051,000 00
19	Maturing May 20 1948			
	Issued in exchange for series dated Nov 20 1947	900	630 348 000 00	
	Issued for cash		370 180,000 00	
26	Issued Nov 28, 1947			
	Redeemed in exchange for series dated Feb 26 1948	940		732 487,000 00
	Redeemable for cash			470 258 000 00
26	Maturing May 27, 1948			
	Issued in exchange for series dated Nov 28, 1947	997	732 487 000 00	
	Issued for cash		378 702 000 00	
	United States savings bonds			
29	Series C–1938	2 90	1 512 906 00	[5] 40 570 093 00
29	Series D–1939	2 90	2 443 404 25	1 656 607 00
29	Series D–1940	2 90	2,984 928 75	2 200 102 75
29	Series D–1941	2 90	1 803 567 50	1 011,022 50
29	Series E–1941	2 90	1 131 567 00	4 331 023 50
29	Series E–1942	2 90	6,828,017 26	23,893 637 80
29	Series E–1943	2 90	8 996 731 53	42 612,480 20
29	Series E–1944	2 90	15 070,271 48	54 616 830 22
29	Series E–1945	2 90	6 128 633 21	40 087,823 00
29	Series E–1946	2 90	3 164 106 59	28,840 418 53
29	Series E–1947	2 90	42 479 911 52	92 741 875 80
29	Series E–1948	2 90	349 918 715 00	100 406 25
29	Series F–1941	2 53	261 279 07	896 394 82
29	Series F–1942	2 53	1,111,807 33	2 043 367 28
29	Series F–1943	2 53	720 029 79	4,200,077 78
29	Series F–1944	2 53	1 171 411 23	3 945 836 21
29	Series F–1945	2 53	271 896 40	2,426,276 90
29	Series F–1946	2 53	225,331 56	1 800 898 04
29	Series F–1947	2 53	808 387 30	1,302 515 45
29	Series F–1948	2 53	42 410 806 00	4 514 00
29	Series G–1941	2 50	-	2,171 400 00
29	Series G–1942	2 50	-	9,635,800 00
29	Series G–1943	2.50		7 101 700 00
29	Series G–1944	2 50	5 000 00	7,794 700 00
29	Series G–1945	2 50	100 00	6 466 600 00
29	Series G–1946	2.50	19 900 00	8,539,900 00

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [3]	Amount issued [2]	Amount matured, or called or redeemed prior to maturity [4]
1948	United States savings bonds—Continued	*Percent*		
Feb 29	Series G-1947	2 50	$4 470 100 00	$6 588 700 00
29	Series G-1948	2 50	214 643 900 00	0 , 100 00
29	Unclassified sales and redemptions		[6] 45 656 065 00	[6] 21 480 327 69
29	Depositary bonds, First Series	2	520 900 00	-
29	Depositary bonds Second Series	2	22 000 00	2 573 000 00
	Armed forces leave bonds			
	Series 1943			
29	Apr 1 1943	2½	45 650 00	183 375 00
29	July 1 1943	2½	97 450 00	262 550 00
29	Oct 1 1943	2½	89,450 00	402 675 00
	Series 1944			
29	Jan 1, 1944	2½	81 175 00	388 525 00
29	Apr 1 1944	2½	77 875 00	301 425 00
29	July 1 1944	2½	76,100 00	395 550 00
29	Oct 1 1944	2½	78,875 00	399 925 00
	Series 1945			
29	Jan 1, 1945	2½	126,325 00	814 475 00
29	Apr 1 1945	2½	90 100 00	657 150 00
29	July 1 1945	2½	230 125 00	1,904 200 00
29	Oct 1 1945	2½	078 825 00	7,673 325 00
	Series 1946			
29	Jan 1 1946	2½	2 214 000 00	27 713 375 00
29	Apr 1 1946	2½	1 428 050 00	13 183 125 00
29	July 1 1946	2½	566 000 00	4 842 425 00
29	Oct 1 1946	2½	828 325 00	0,315 450 00
29	Unclassified issues and redemptions	2½	[6] 1 084 625 00	[6] 25,974 450 00
	Treasury savings notes			
29	Series C-1948	1 07	-	[5] 01 842 700 00
29	Series C-1949	1 07	-	21 802 200 00
29	Series C-1950	1 07	20 000 00	102 878 850 00
29	Series C-1951	1 07	111,003 000 00	100 000 00
29	Miscellaneous			43 000 00
	Total, February		0 980 072 094 43	8 036 824 743 40
Mar 1	Certificates of indebtedness Series C-1948 redeemed in exchange for certificates, Series C-1949	⅞	-	1 087 423 000 00
	Certificates of indebtedness Series C-1948	⅞	-	454 308 000 00
1	Treasury bonds of 1948-50, dated Mar 15 1941 redeemed in exchange for certificates Series C-1949	2		898 998 700 00
1	Treasury bonds of 1948-51 redeemed in exchange for certificates, Series C-1949	2¾		966,764 300 00
1	Certificates of indebtedness Series C-1949	1⅛	3 553 156,000 00	-
	Treasury bills			
4	Issued Dec. 4, 1947			
	Redeemed in exchange for series dated Mar 4 1948	944	-	645 201 000 00
	Redeemable for cash		-	555,904 000 00
4	Maturing June 3 1948			
	Issued in exchange for series dated Dec 4, 1947	997	945 201 000 00	-
	Issued for cash		450,202,000 00	-
11	Issued Dec 11, 1947			
	Redeemed in exchange for series dated Mar 11, 1948	948	-	607 562 000 00
	Redeemable for cash	-	-	597,480 000 00
11	Maturing June 10 1948			
	Issued in exchange for series dated Dec 11 1947	997	607 562 000 00	-
	Issued for cash		493,448,000 00	-
15	Treasury bonds of 1948-50 dated Mar 15, 1941	2		219 890 200 00
15	Treasury bonds of 1948-51	2¾	-	256,731,550 00
	Treasury bills			
18	Issued Dec 18, 1947			
	Redeemed in exchange for series dated Mar 18 1948	949	-	979 156 000 00
	Redeemable for cash	-	-	031,874 000 00
18	Maturing June 17 1948			
	Issued in exchange for series dated Dec 18 1947	996	679 156 000 00	-
	Issued for cash		437,277 000 00	-

Footnotes at end of table

TABLE 27.—*Issues, maturities and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1948	Treasury bills—Continued			
Mar 25	Issued Dec 26 1947			
	Redeemed in exchange for series dated Mar 25, 1948	*Percent* 951		$536 428,000 00
	Redeemable for cash			566 302,000 00
25	Maturing June 24 1948			
	Issued in exchange for series dated Dec 26 1947	996	$536 428 000 00	
	Issued for cash		472 226 000 00	
	United States savings bonds			
31	Series C-1938	2 90	1 434 373 75	[5] 39 442,676 50
31	Series D-1939	2 90	2 055 550 50	2 175,235 00
31	Series D-1940	2 90	3 672,413 50	2 580 630 75
31	Series D-1941	2 90	549 264 50	1 281 064 00
31	Series E-1941	2 90	1 086 462 75	5 440 590 00
31	Series E-1942	2.90	7 353 622 10	30 324 335 65
31	Series E-1943	2 90	20 929 592 70	54 611 194.53
31	Series E-1944	2 90	7 928 704 87	70 022,054.31
31	Series E-1945	2.90	5 869 094 32	58 295 874 26
31	Series E-1946	2 90	3 000 151 60	35 541 081 34
31	Series E-1947	2 90	12 440 300 80	79 330,533 10
31	Series E-1948	2 90	302,085 450 25	8,432,485 00
31	Series F-1941	2.53	260 450 96	799 119 38
31	Series F-1942	2 53	1 287 955 30	2,738,104 87
31	Series F-1943	2.53	2,340 071 04	3,634 524 84
31	Series F-1944	2.53	349 534 03	3,712,962 70
31	Series F-1945	2.53	229 005 21	2 549 744 54
31	Series F-1946	2 53	291 330 05	1 797,079 70
31	Series F-1947	2 53	148 031 35	1,723 040 75
31	Series F-1948	2 53	32 800 401 00	29 600 00
31	Series G-1941	2.50		2,235 500 00
31	Series G-1942	2 50		6,431 700 00
31	Series G-1943	2.50		3 148 800 00
31	Series G-1944	2.50	3 700 00	3 878 100 00
31	Series G-1945	2 50	2 300 00	6 750 200 00
31	Series G-1946	2 50	300 00	9 808 500 00
31	Series G-1947	2.50	200 700 00	3,112 000 00
31	Series G-1948	2.50	185,512 800 00	30 800 00
31	Unclassified sales and redemptions		[6] 33 801 237 48	[6] 1 424 278 00
31	Depositary bonds First Series	2	1,565 000 00	3 895 000 00
31	Depositary bonds, Second Series	2	14 000 00	192,000 00
	Armed forces leave bonds			
	Series 1943			
31	Apr 1 1943	2½	42,300 00	131 600 00
31	July 1, 1943	2½	63,200 00	202,700 00
31	Oct 1 1943	2½	65 325.00	289 975 00
	Series 1944			
31	Jan 1 1944	2½	59,200 00	269 300 00
31	Apr 1, 1944	2½	38,050 00	227 250 00
31	July 1 1944	2½	60 150 00	252,075 00
31	Oct 1 1944	2½	45 125 00	305,525.00
	Series 1945			
31	Jan 1 1945	2½	37 425 00	570,300 00
31	Apr 1, 1945	2½	68 125 00	509 000 00
31	July 1 1945	2½	125 150 00	1 507,600 00
31	Oct 1 1945	2½	340,050 00	6,193 675 00
	Series 1946			
31	Jan 1, 1946	2½	1,260 825 00	20 743 075 00
31	Apr 1, 1946	2½	700 125 00	10,000 500 00
31	July 1, 1946	2½	328,650 00	3,678,875 00
31	Oct 1 1946	2½	404 425.00	4 606 525 00
31	Unclassified issues and redemptions	2½	[6] 570,975 00	[6] 8,092,100 00
	Treasury savings notes			
31	Series C-1948	1 07		[5] 96 722,600 00
31	Series C-1949	1 07		60 801 600 00
31	Series C-1950	1 07	30 500 00	153 620 200 00
31	Series C-1951	1 07	120 154,900 00	35,745 700 00
31	Miscellaneous			21,500 00
	Total, March		3,645 298 445 75	10 136,488,647 87

Footnotes at end of table

TABLE 27 —*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [3]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1948				
Apr 1	Certificates of indebtedness Series D-1048 redeemed in exchange for certificates Series D-1949	*Percent* ⅞	-	$1 054 830 000 00
1	Certificates of indebtedness Series D-1048	⅞	-	265 303 000 00
1	Certificates of indebtedness, Series D-1949	1⅛	$1 054 836 000 00	
	Treasury bills			
1	Issued Jan 2, 1948			
	Redeemed in exchange for series dated Apr 1, 1948	952	-	724 775 000 00
	Redeemable for cash		- -	570, 215, 000 00
1	Maturing July 1 1948			
	Issued in exchange for series dated Jan 2 1948	996	724 775 000 00	-
	Issued for cash		475, 487, 000 00	-
8	Issued Jan 8, 1948			
	Redeemed in exchange for series dated Apr 8, 1948	950	-	534, 990 000 00
	Redeemable for cash		-	770, 128 000 00
8	Maturing July 8 1948			
	Issued in exchange for series dated Jan 8, 1048	997	534 996 000 00	-
	Issued for cash		670, 471 000 00	
15	Issued Jan 15 1948			
	Redeemed in exchange for series dated Apr 15 1048	970		530 095 000 00
	Redeemable for cash			473 171, 000 00
15	Maturing July 15 1948			
	Issued in exchange for series dated Jan 15, 1948	998	530 005 000 00	-
	Issued for cash		476 402, 000 00	-
22	Issued Jan 22 1948			
	Redeemed in exchange for series dated Apr 22, 1948	981		442 559 000 00
	Redeemable for cash			500 331 000 00
22	Maturing July 22, 1948			
	Issued in exchange for series dated Jan 22, 1948	997	442 550 000 00	- -
	Issued for cash		559 017, 000 00	-
29	Issued Jan 29, 1948			
	Redeemed in exchange for series dated Apr 29 1048	990		479 332 000 00
	Redeemable for cash			522 132 000 00
29	Maturing July 29 1948			
	Issued in exchange for series dated Jan 29, 1948	997	479 332 000 00	- -
	Issued for cash		526, 317, 000 00	- -
	United States savings bonds			
30	Series C-1938	2.90	1 442 099 50	[5] 31 614, 297 00
30	Series D-1939	2 90	1 998, 688 00	1, 852 505 50
30	Series D-1940	2 90	2 446 622 25	2 308 588.00
30	Series D-1941	2 90	662 517 75	1 186 666 50
30	Series E-1941	2.90	1 216 044 50	5 013 863 50
30	Series E-1942	2 90	7 502 384 91	28 900 750 65
30	Series E-1943	2.90	16 231 823 05	52 518 181 17
30	Series E-1944	2.90	7 076 867 83	65 557 520 05
30	Series E-1945	2.90	0 763 156 13	55 040 068.62
30	Series E-1946	2 90	3, 010 231 64	33 388 235 54
30	Series E-1947	2 90	1 002, 162 47	63 489 532 08
30	Series E-1948	2 90	335 233, 379 75	21, 933 168.75
30	Series F-1941	2 53	808 702 40	660 531 80
30	Series F-1942	2 53	1 095, 500 26	3 147 780 04
30	Series F-1943	2 53	2 221 298 92	4 357 026 47
30	Series F-1944	2 53	270 730 81	3 739 001 44
30	Series F-1945	2 53	290 002 25	2 498 376 39
30	Series F-1946	2 53	226, 469 06	1, 295 206 05
30	Series F-1947	2 53	86 130 30	1 438 328 15
30	Series F-1948	2.53	21, 290 873 00	5 020 00
30	Series G-1941	2 50		2 880 600 00
30	Series G-1942	2 50	- -	5 858 000 00
30	Series G-1943	2 50		7 005 200 00
30	Series G-1944	2.50	8 600 00	7 102 500 00
30	Series G-1945	2 50	9 500 00	6 523 900 00
30	Series G-1946	2 50	-	8 657 200 00

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured or called or redeemed prior to maturity [4]
1948	United States savings bonds—Continued	*Percent*		
Apr 30	Series G-1947	2 50	[7] $1 213 400 00	$7 598 900 00
30	Series G-1948	2 50	147 027 600 00	41 900 00
30	Unclassified sales and redemptions		[6] 23 379 013 32	10 074 1[illegible]7 31
30	Depositary bonds First Series	2	708 000 00	1 0[illegible]5 000 00
30	Depositary bonds Second Series	2	10 000 00	120 000 00
	Armed forces leave bonds			
	Series 1943			
30	Apr 1 1943	2½	32 000 00	1 756 875 00
30	July 1 1943	2½	43 275 00	140 100 00
30	Oct 1 1943	2½	48 950 00	204 100 00
	Series 1944			
30	Jan 1 1944	2½	30 475 00	103 200 00
30	Apr 1 1944	2½	32 325 00	183 375 00
30	July 1 1944	2½	40 175 00	100 050 00
30	Oct 1 1944	2½	41 525 00	217 025 00
	Series 1945			
30	Jan 1 1945	2½	57 325 00	417 525 00
30	Apr 1 1945	2½	48 200 00	303 400 00
30	July 1 1945	2½	87 450 00	1 174 375 00
30	Oct 1 1945	2½	240 100 00	4 741 350 00
	Series 1946			
30	Jan 1 1946	2½	840 750 00	10 382 725 00
30	Apr 1 1946	2½	511 000 00	7 804 500 00
30	July 1 1946	2½	245 175 00	2 824 800 00
30	Oct 1 1946	2½	334 225 00	4 002 900 00
30	Unclassified issues and redemptions	2½	[6] 373 800 00	[6] 3 502 275 00
	Treasury savings notes			
30	Series C-1948	1 07		[8] 119 004 300 00
30	Series C-1949	1 07		20 780 500 00
30	Series C-1950	1 07		180 254 200 00
30	Series C-1951	1 07	128 814 100 00	[illegible] 58[illegible] 000 00
30	Miscellaneous			8 472 000 00
	Total, April		7 120 238 482 00	7 773 107 430 01
	Treasury bills			
May 6	Issued Feb 5 1948			
	Redeemed in exchange for series dated May 6 1948	990	-	301 375 000 00
	Redeemable for cash	-		511 810 000 00
6	Maturing Aug 5 1948			
	Issued in exchange for series dated Feb 5, 1948	998	301 375 000 00	-
	Issued for cash	- -	514,075,000 00	
13	Issued Feb 13 1948			
	Redeemed in exchange for series dated May 13 1948	994		467 890 000 00
	Redeemable for cash	-		532 310,000 00
13	Maturing Aug 12, 1948			
	Issued in exchange for series dated Feb 13 1948	998	407 890 000 00	
	Issued for cash	-	537 735 000 00	
20	Issued Feb 19, 1948			
	Redeemed in exchange for series dated May 20 1948	990		519 002 000 00
	Redeemable for cash	-		481 526,000 00
20	Maturing Aug 19 1948			
	Issued in exchange for series dated Feb 19, 1948	997	510 002 000 00	
	Issued for cash	-	484,989 000 00	
27	Issued Feb 26, 1948			
	Redeemed in exchange for series dated May 27, 1948	997		580 714 000 00
	Redeemable for cash	-		516 475,000 00
27	Maturing Aug 26 1948			
	Issued in exchange for series dated Feb 26, 1948	997	589 714 000 00	
	Issued for cash	-	518,006 000 00	
	United States savings bonds			
31	Series C-1938	2 90	1 296 692 50	[8] 27 783,538 00
31	Series C-1939	2 90	2 371 551 50	2 126 975 00
31	Series D-1940	2 90	2 100 355 25	2 481 248 50
31	Series D-1941	2 90		1 202 402 25
31	Series E-1941	2 90	11,183 783 75	5 140 178 25

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1948	United States savings bonds—Continued	*Percent*		
May 31	Series E-1942	2.90	$7,087,639.18	$28,513,349.78
31	Series E-1943	2.90	8,905,543.12	51,514,152.90
31	Series E-1944	2.90	11,623,225.80	63,857,678.01
31	Series E-1945	2.90	15,578,152.87	53,495,037.90
31	Series E-1946	2.90	2,997,140.00	33,147,286.32
31	Series E-1947	2.90	3,435,278.82	54,858,132.34
31	Series E-1948	2.90	298,086,910.00	81,724,201.31
31	Series F-1941	2.53	1,011,351.18	836,100.47
31	Series F-1942	2.53	1,112,043.26	3,110,777.11
31	Series F-1943	2.53	677,915.15	4,860,344.71
31	Series F-1944	2.53	685,714.52	8,974,937.25
31	Series F-1945	2.53	815,901.11	2,740,482.17
31	Series F-1946	2.53	207,955.56	1,029,308.18
31	Series F-1947	2.53	67,460.00	1,941,218.35
31	Series F-1948	2.53	16,684,632.00	111.00
31	Series G-1941	2.50	-	8,309,200.00
31	Series G-1942	2.50	-	0,900,000.00
31	Series G-1943	2.50	[7] 0,000.00	8,671,300.00
31	Series G-1944	2.50	6,200.00	8,701,100.00
31	Series G-1945	2.50	-	8,595,400.00
31	Series G-1946	2.50	700.00	0,760,400.00
31	Series G-1947	2.50	30,100.00	9,431,700.00
31	Series G-1948	2.50	110,615,300.00	76,600.00
31	Unclassified sales and redemptions		4,854,902.88	[6] 0,228,895.21
31	Depositary bonds First Series	2	1,185,000.00	4,645,000.00
31	Depositary bonds Second Series	2	137,000.00	[7] 1,890,000.00
	Armed forces leave bonds			
	Series 1943			
31	July 1, 1943	2½	21,850.00	95,925.00
31	Oct 1, 1943	2½	33,000.00	149,375.00
	Series 1944			
31	Jan 1, 1944	2½	25,475.00	139,950.00
31	Apr 1, 1944	2½	19,625.00	132,200.00
31	July 1, 1944	2½	25,425.00	132,550.00
31	Oct 1, 1944	2½	21,050.00	152,600.00
	Series 1945			
31	Jan 1, 1945	2½	34,050.00	281,200.00
31	Apr 1, 1945	2½	20,050.00	284,125.00
31	July 1, 1945	2½	56,225.00	802,875.00
31	Oct 1, 1945	2½	145,600.00	3,307,750.00
	Series 1946			
31	Jan 1, 1946	2½	501,850.00	11,165,650.00
31	Apr 1, 1946	2½	313,050.00	5,605,050.00
31	July 1, 1946	2½	146,275.00	1,807,500.00
31	Oct 1, 1946	2½	203,200.00	2,884,475.00
31	Unclassified issues and redemptions	2½	[6] 77,850.00	151,050.00
	Treasury savings notes			
31	Series C-1948	1.07	-	[5] 234,799,800.00
31	Series C-1949	1.07	-	12,413,800.00
31	Series C-1950	1.07		38,403,100.00
31	Series C-1951	1.07	141,904,300.00	1,939,300.00
31	Miscellaneous		-	1,340,000.00
	Total, May		4,669,928,232.58	4,752,818,740.19
June 1	Certificates of indebtedness, Series E-1948, redeemed in exchange for certificates Series E-1949	⅞	-	1,617,762,000.00
1	Certificates of indebtedness, Series E-1948	⅞	-	159,380,000.00
1	Treasury bonds of 1948, redeemed in exchange for certificates Series E-1949	1¾	-	2,683,855,000.00
1	Certificates of indebtedness, Series E-1949	1⅛	4,301,117,000.00	-
	Treasury bills			
3	Issued Mar 4, 1948			
	Redeemed in exchange for series dated June 3, 1948	.997	-	630,225,000.00
	Redeemable for cash	-	-	471,178,000.00
3	Maturing Sept 2, 1948			
	Issued in exchange for series dated Mar 4, 1948	.997	630,225,000.00	-
	Issued for cash		470,482,000.00	-

Footnotes at end of table

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1948	Treasury bills—Continued			
June 10	Issued Mar 11, 1948			
	Redeemed in exchange for series dated June 10, 1948	*Percent* 097		$596 201 000 00
	Redeemable for cash			504 740 000 00
10	Maturing Sept 9, 1948			
	Issued in exchange for series dated Mar 11 1948	098	$596 201,000 00	
	Issued for cash		508 246 000 00	
15	Treasury bonds of 1948	1¾		378 496 500 00
	Treasury bills			
17	Issued Mar 18, 1948			
	Redeemed in exchange for series dated June 17 1948	096		559 859 000 00
	Redeemable for cash			547 574 000 00
17	Maturing Sept 16 1948			
	Issued in exchange for series dated Mar 18, 1948	998	559 859 000 00	
	Issued for cash		543 772 000 00	
24	Issued Mar 25, 1948			
	Redeemed in exchange for series dated June 24, 1948	096	-	524 022 000 00
	Redeemable for cash			484 632 000 00
24	Maturing Sept 23 1948			
	Issued in exchange for series dated Mar 25 1948	098	524 022 000 00	
	Issued for cash		481, 973 000 00	
	United States savings bonds			
30	Series C-1938	2 90	1 900 050 75	[5] 30, 201 045 50
30	Series D-1939	2 00	3 801 637 50	2 118 802 50
30	Series D-1940	2 90	3, 137 780 25	2 742, 218 50
30	Series D-1941	2 90		1 241 482 00
30	Series E-1941	2 90	12, 670 309 50	5, 530 680 50
30	Series E-1942	2 90	9 874 074 03	29 501 700 86
30	Series E-1943	2 90	0 677 245 07	53 042 347 71
30	Series E-1944	2 00	25 528 015 54	66 037 508 70
30	Series E-1945	2 90	15 385, 798 20	56 267 513 02
30	Series E-1946	2 90	8, 745 655 02	33 910 664 84
30	Series E-1947	2 90	1 805 352 01	53, 109, 899 10
30	Series E-1948	2 90	331, 578 318 75	41 772 273 69
30	Series F-1941	2 53	081 963 81	1, 260 221 55
30	Series F-1942	2 53	1, 425 310 07	3 631 165 84
30	Series F-1943	2 53	013 407 46	4 556, 003 32
30	Series F-1944	2 53	2 202 290 78	4 104 512 23
30	Series F-1945	2 53	1 879 074 40	3 060 255 37
30	Series F-1946	2 53	277, 057 50	2 353 349 44
30	Series F-1947	2 53	74 721 25	1 968 641 65
30	Series F-1948	2 53	19 057 516 00	31 820 00
30	Series G-1941	2 50		3 662 300 00
30	Series G-1942	2 50	400 00	6 854 600 00
30	Series G-1943	2 50	400 00	8 358 700 00
30	Series G-1944	2 50	200 00	8 766, 200 00
30	Series G-1945	2 50	4, 200 00	8 248 800 00
30	Series G-1946	2 50	700 00	11 429 000 00
30	Series G-1947	2 50	11 600 00	10 031 000 00
30	Series G-1948	2 50	135 328 900 00	26 700 00
30	Unclassified sales and redemptions		10, 386 001 26	7, 243 047 78

Footnotes at end of table.

TABLE 27.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1947–June 1948* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1948		Percent		
June 30	Depositary bonds First Series	2	$1 494 000 00	$255 000 00
30	Depositary bonds Second Series	2	67,000 00	33,000 00
	Armed forces leave bonds			
	Series 1943			
30	July 1, 1943	2½	10 725 00	117 175 00
30	Oct 1 1943	2½	25,975 00	152 300 00
	Series 1944			
30	Jan 1 1944	2½	20 925 00	142 300 00
30	Apr 1 1944	2½	17 875 00	136 125 00
30	July 1 1944	2½	19,550 00	143 750 00
30	Oct 1 1944	2½	17,150 00	170 475 00
	Series 1945			
30	Jan 1 1945	2½	31 300 00	320 275 00
30	Apr 1 1945	2½	24 450 00	295 800 00
30	July 1 1945	2½	42 400 00	917 850 00
30	Oct 1, 1945	2½	131 475 00	3,737 075 00
	Series 1946			
30	Jan 1 1946	2½	411 825 00	12 642 825 00
30	Apr 1 1946	2½	261 350 00	6,174 525 00
30	July 1 1946	2½	110 800 00	2 188 850 00
30	Oct 1, 1946	2½	178 975 00	3,572 100 00
30	Unclassified issues and redemptions	2½	52,800 00	[6] 4 763 925 00
	Treasury savings notes			
30	Series C-1948	1 07		[5] 303 071 900 00
30	Series C-1949	1 07	-	42 573 700 00
30	Series C-1950	1 07	-	132 595 500 00
30	Series C-1951	1 07	183,392,000 00	52 278 500 00
30	Miscellaneous	-	-	828 000 00
	Total June		9,393 624 747 87	10 176 241 060 25
	Total fiscal year 1948		99 194,799,900 47	107 088 758,560 19

1 On basis of daily Treasury statements, supplemented by special statements on public debt issues, redemptions and exchanges by Bureau of the Public Debt

2 For Treasury bills average rates on bank discount basis are shown, for United States savings bonds, approximate yield to maturity is shown

3 For United States savings bonds of Series C to F not currently on sale, amounts represent accrued discount plus issue price of bonds in adjustment cases, for Series E and F currently on sale amounts represent issue price plus accrued discount, and for Series G amounts represent issue price at par

4 For United States savings bonds of Series C to F amounts represent current redemption value (issue price plus accrued discount) and for Series G, amounts represent redemption value at par

5 Includes securities of certain issue months which have matured

6 Deduct Represents excess of amounts transferred from unclassified sales and redemptions to sales and redemptions of a designated series over amounts received as unclassified sales and redemptions

7 Deduct

TABLE 28 —*Public debt increases and decreases, and balances in general fund, fiscal years 1916–48*

[In millions of dollars On basis of daily Treasury statements see p 393]

Fiscal year	Public debt outstanding at end of year	Increase or decrease (–) in public debt during year	Analysis of increase or decrease in public debt: Due to excess of expenditures (+) or receipts (–)	Analysis of increase or decrease in public debt: Resulting in increase (+) or decrease (–) in general fund balance	Analysis of increase or decrease in public debt: Decreases due to statutory debt retirements	General fund balance at end of year
1915	1,191 4	- -	-		- -	158 1
1916	1,225 1	33 8	–48 5	+82 3	-	240 4
1917	2,975 6	1,750 5	+853 4	+897 1	-	1 137 5
1918	12,455 2	9 479 6	+9,033 8	+447 5	1 1	1,585 0
1910	25,484 5	18 029 3	+18 370 6	–333 3	8 0	1,251 7
1920	24,299 3	–1,185 2	–212 5	–894 0	78 7	357 7
1921	28 977 5	–321 9	–86 7	+192 0	427 1	549 7
1922	22,963 4	–1,014 1	–313 8	–277 6	422 7	272.1
1923	22,349 7	–618 7	–309 7	+98 8	402 9	370 9
1024	21,250 8	–1 098 9	–505 4	–185 5	458 0	235 4
1925	20 516 2	–734 6	–250 5	–17 6	466 5	217 8
1926	10 643 2	–873 0	–877 8	–7 8	487 4	210 0
1927	18,511 9	–1,131 3	–635 8	+24 1	510 6	234 1
1928	17,604 3	–907 6	–398 8	+31 5	540 3	265 5
1929	16 931 1	–673 2	–184 8	+61 2	549 6	326 7
1930	16 185 8	–745 8	–183 8	–8.1	553 0	318 6
1931	16,801 8	616.0	+902.7	+153.3	440 1	471 9
1932	19 487 0	2,685 7	+3 153 1	–54 7	412 6	417 2
1933	22 538 7	3,051 7	+3 068 8	+445 0	461 0	862 2
1934	27 053 1	4 514 5	+3,154 6	+1,719 7	359 9	2 581 9
1935	28 700 9	1 647 8	+2,061 9	–740 6	573 6	1 841 3
1936	33 778 5	5,077 7	+4 640 7	+840 2	403 2	2 681 5
1937	36 424 6	2 646 1	+2,878 1	–128 0	104 0	2 553 5
1938	37 164 7	740 1	+1 143 1	–337 6	65 5	2 216 0
1930	40 439 5	3 274 8	+2,710 7	+622 3	58 2	2 838 2
1940	42,967 5	2,528 0	+3 604 7	–947 5	129 2	1,890 7
1941	48,961 4	5,993 9	+5 315 7	+742 4	64 3	2 633 2
1942	72,422 4	23 461 0	+23 197 8	+358 0	94 7	2,991 1
1943	136,696 1	64 273 6	+57 761 7	+6 515 4	3 5	9 506 6
1944	201,003 4	64 307 3	+53,045 3	+10,662 0	(*)	20 168 6
1945	258 682.2	57 678 8	+53 149 6	+4 529 2	(*)	24 697 7
1946	269,422.1	10,739 9	+21,199 8	–10,459 8	(*)	14 237 9
1947	258,286 4	–11 135.7	–206 0	–10 929 7		3 308 1
1948	252,292 2	–5,994 1	[1]–6 006.4	+1 623 0	1 011 6	4 932 0
Total		251 100 8	+255,424 7	+4,773 9	–9,097 7	

SUMMARY OF CHANGES IN THE PUBLIC DEBT, FISCAL YEARS 1916–48

[In millions of dollars]

Increase in debt on account of—		
Excess of expenditures in certain years	265,745 1	
Net increase in general fund balance	4,773 9	
		270 519 0
Decrease in debt on account of—		
Statutory debt retirements	9 097 7	
Retirements from surplus receipts in certain years	10 320 6	
		19 418 3
Net increase in debt since June 30, 1915		251,100 8
Public debt		
As of June 30, 1915	1 191 4	
As of June 30, 1948	252,292 2	
Net increase, as above		251 100 8

NOTE —Figures are rounded and will not necessarily add to totals

*Less than $50 000

[1] During 1948 statutory debt retirements were not included in budget expenditures in the daily Treasury statement Such expenditures have been included in this table for comparable purposes

TABLE 29 —*Statutory debt retirements, fiscal years 1918–48*

[In thousands of dollars On basis of par amounts and of daily Treasury statements through 1947, and on basis of Public Debt accounts for 1948 see p 303]

Fiscal year	Cumulative sinking fund	Repayments of foreign debt	Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts Federal Reserve Banks	Payments from net earnings Federal intermediate credit banks [1]	Commodity Credit Corporation capital repayments	Miscellaneous gifts forfeitures etc	Total
1918	-	-	-	-	1 134	-	-	-	1,134
1919		7 022	93			-	-	-	8 615
1920	-	72 670	8 141		2 922	-	-	13	78 746
1921	261 100	73 939	26 349		60,724	-	-	[2] 5 010	427 123
1922	270 040	64,838	21 085		60 333	-	-	393	422 605
1923	284 019	100 893	6 500		10,815	-	-	555	402 850
1924	295 987	140 388	8 897		4,635	-	-	98	458 000
1925	306,309	159,179	47		114	680	-	208	466,538
1926	317 092	169 654	-	-	59	509	-	63	487 376
1927	338 528	179 216	-		818	414	-	5 578	519 555
1928	354 741	181 804	2	-	250	369	-	3 000	540 255
1929	370 277	176 213	20	-	2 667	286	-	100	549,604
1930	388,369	160 926	78		4,283	172	-	61	553 884
1931	391 660	48,246	-		18	74	-	85	440,082
1932	412 555		1			21	-	53	412,630
1933	425 660	33 887	-	-	2 037	-	-	21	461,605
1934	359,492	357	-	-		-	-	15	359 864
1935	573 001		1			-	-	556	573 558
1936	403 238		-			-	-	1	403,240
1937	103 815	142	-		-	-	-	14	103 971
1938	65,116	210	-	-	-	-	-	130	65 465
1939	48 518	120		8 095	-	1 501	-	12	58 240
1940	128 349			134		685	-	16	129 184
1941	37 011			1 821		548	25 364	16	64 260
1942	75 342	-	-	668		815	18 398	5	94 722
1943	8 460		-	-			-	4	8 463
1944	−1	-	-			-	-	8	[illegible]
1945	-	-		-		-	-	2	2
1946	-	-	-	-		-	-	4	4
1947		-	-			-	-	(3)	
1948	740 630	-		8 028		1 634	45 500	[4] 209 828	1 011,636
Total	6,961 810	1 579,605	66,278	18 248	140 809	7 189	89 266	225,997	9,097,711

NOTE —Figures are rounded and will not necessarily add to totals

[1] Act of Mar 4, 1923 (42 Stat 1456, sec 206 (b)) requiring division of net earnings was amended by act of May 19, 1932 (47 Stat 159 sec 3) Act of Aug 19, 1937 (50 Stat 715, sec 30) provides for franchise tax

[2] Includes $4 842 066 45 written off the debt Dec 31 1920, on account of fractional currency estimated to have been lost or destroyed in circulation

[3] Beginning with 1947, bonds acquired through gifts, forfeitures, and estate taxes are redeemed prior to maturity from regular public debt receipts

[4] Represents payments from net earnings, War Damage Corporation

TABLE 30.—*Cumulative sinking fund, fiscal years 1921–48*

[In millions of dollars. On basis of Public Debt accounts, see p. 393]

Fiscal year	Appropriations	Available for expenditure during year [1]	Debt retired [2]	
			Par amount	Cost (principal)
1921	256.2	256.2	261.3	254.8
1922	273.1	274.5	275.0	274.5
1923	284.1	284.2	284.0	284.1
1924	294.9	294.9	296.0	294.0
1925	306.7	306.7	306.3	306.7
1926	321.2	321.2	317.1	321.2
1927	330.9	336.9	333.5	336.9
1928	355.1	355.1	354.7	355.1
1929	370.2	370.2	370.3	370.2
1930	382.9	382.0	388.4	382.0
1931	392.2	392.2	391.7	392.2
1932	410.9	416.0	412.6	410.9
1933	425.6	425.6	425.7	425.6
1934	438.5	438.5	350.5	359.2
1935	493.8	573.2	573.0	573.6
1936	553.0	553.2	403.8	403.3
1937	572.8	722.7	103.7	103.7
1938	577.6	1 106.5	65.2	65.2
1939	580.9	1 712.2	48.5	48.5
1940	582.0	2 245.6	128.3	128.3
1941	585.8	2,703.2	37.0	37.0
1942	586.9	3,253.1	75.3	75.3
1943	587.8	3 765.6	3.4	3.4
1944	587.6	4 349.7		
1945	587.6	4 937.4		
1946	587.6	5 525.0		
1947	587.6	6 112.6		
1948	603.5	6 716.0	746.6	746.6
Total	12 923.0		6 961.3	6 953.6
Deduct cumulative expenditures	6 953.6			
Unexpended balance	5 969.4			

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Amount available each year includes unexpended balance brought forward from prior year.
[2] Net discount on debt retired through June 30, 1948, is $7.7 million.

TABLE 31.—*Transactions on account of the cumulative sinking fund, fiscal year 1948*

[On basis of Public Debt accounts, see p. 393]

Unexpended balance July 1, 1947		$6,112,571,481.14
Appropriation for 1948:		
Initial credit:		
(a) Under the Victory Liberty Loan Act (2½% of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920)	$253,404,864.87	
(b) Under the Emergency Relief and Construction Act of 1932 (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act)	7,860,606.83	
(c) Under the National Industrial Recovery Act (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act)	80,156,843.39	
Total initial credit	341,422,315.09	
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years)	262,027,693.23	
		603,450,008.32
Total available, 1948		6,716,021,489.46
Securities retired in 1948: 4¼% Treasury bonds of 1947–52		746,635,800.00
Unexpended balance June 30, 1948		5,969,385,689.46

TABLE 32—*Transactions relating to Treasury holdings of obligations issued by corporations and certain other business-type activities of the Government, fiscal year 1948*

Agency and obligation	Treasury holdings June 30 1947	Transactions during the fiscal year 1948: Advances by Treasury	Transactions during the fiscal year 1948: Repayments and refunding	Transactions during the fiscal year 1948: Cancellations	Treasury holdings June 30 1948
Commodity Credit Corporation					
Noninterest bearing notes 14th Series	$500 000 000 00	$85 000 000 00	$145 000 000 00	-	$440 000 000 00
1% interim notes 16th Series	10 000 000 00	878 000 000 00	888 000 000 00	-	
Export Import Bank of Washington					
1% notes Series 1951	516 200 000 00		-	-	516 200 000 00
1⅞% notes Series 1959	-	517 000 000 00	62,600 000 00		454 400 000 00
Federal Farm Mortgage Corporation					
1% bonds of 1948	21 000 000 00	-	21 000 000 00		
Home Owners Loan Corporation					
1% bonds Series U	529 000 000 00		156 845 891 09	$128,154 108 91	244 000 000 00
Public Housing Administration [1]					
1¾% notes, Series N	347,000,000 00		347,000 000 00		
1⅞% notes Series N		25 000 000 00	25,000 000 00		
1⅞% notes Series O		362 000 000 00			362,000 000 00
Reconstruction Finance Corporation					
1% notes, Series Y	8 991,140 850 39		8 000 000 00	8,983 140 850 39	
1% notes Series Y-A	800 000 000 00			800 000 000 00	
Noninterest bearing note Series Z	175,000 000 00		175 000 000 00		
1⅞% notes Series AA	-	411 790 448.93	146 000 000 00	265 790 448.93	
Noninterest bearing note, Series CC		1 105 000,000 00	1 105 000 000 00		-
Rural Electrification Administration [2]					
1¾% notes of administrator		730 148,903 98	12 074,549 00	-	718,074 354.98
Secretary of Agriculture (Farmers Home Administration program) [3]					
2% notes	-	46 988,816 15	46,988 816 15	-	
3% notes		6 121 000 00	6 121 000 00		
Tennessee Valley Authority [4]					
1¾% bonds of 1943–51	10 000 000 00	10,000 000.00	12,500,000 00		7 500 000 00
2¼% bonds of 1947–57	15 000 000 00		-		15,000 000 00
2⅜% bonds of 1951–63	15 000 000 00				15,000 000 00
2½% bonds of 1955–69	16,500 000 00				16,500 000 00
Virgin Islands Company The					
1⅞% note	-	250 000 00			250 000 00
Total	11 945,840 850 39	4 177 299 169 06	3 157 130 256 24	10 177 085 408.23	2 788,924 354.98

[1] Name changed from Federal Public Housing Authority (originally U S Housing Authority) pursuant to Reorganization Plan No 3 of 1947, effective July 27, 1947
[2] Notes totaling $510 848 903 98 transferred from Reconstruction Finance Corporation
[3] Notes totaling $40 367 816 15 transferred from Reconstruction Finance Corporation
[4] Interest is paid at rate of 1 percent per annum while such bonds are held by Treasury by authority of letter dated Jan 10 1942 from Secretary of the Treasury to Tennessee Valley Authority

United States savings bonds and Treasury savings notes

TABLE 33.—*Summary of sales and redemptions of United States savings bonds, by series, fiscal years 1935–48 and monthly 1948*

[On basis of daily Treasury statements, see p. 393]

Fiscal year or month	Sales [1] at issue price plus accrued discount					Redemptions [2] (including redemptions of matured bonds) at current redemption value				
	Total	Series A–D [3]	Series E	Series F	Series G [4]	Total	Series A–D [5]	Series E	Series F	Series G [4]
Cumulative through June 30, 1948	$78,891,404,285	$4,810,078,180	$52,447,023,588	$3,980,636,637	$17,653,665,900	$25,558,733,770	$2,207,859,639	$20,821,712,806	$725,505,926	$1,803,655,400
1935 (Mar. 1 through June 30)	62,567,044	62,567,044	-	-	-	519,225	519,225		-	
1936	265,239,521	265,239,521	-			11,162,525	11,162,525	-	-	
1937	519,731,009	519,731,009		-		36,206,922	36,206,922			
1938	504,653,948	504,653,948	-	-		66,629,995	66,629,995	-	-	
1939	712,476,470	712,476,470	-	-	-	82,000,208	82,000,208			
1940	1,150,810,389	1,150,810,389		-		114,260,162	114,260,162	-		
1941	1,557,379,747	893,034,311	203,098,145	66,693,092	394,554,200	148,126,038	147,512,469	22,481	48,988	542,100
1942	6,081,623,309	86,640,477	3,527,751,771	435,147,360	2,032,083,700	207,387,899	132,705,454	60,009,837	2,860,308	11,812,300
1943	11,916,301,878	92,060,951	8,304,400,239	760,384,688	2,759,456,000	848,323,796	88,213,494	688,574,321	17,027,781	54,508,200
1944	15,720,857,894	96,036,314	11,938,108,546	811,075,933	2,875,636,600	2,370,883,253	79,263,799	2,099,928,189	57,656,764	134,034,500
1945	15,277,800,179	103,300,063	11,818,148,296	698,044,419	2,658,307,400	4,298,352,717	142,806,750	3,845,853,465	89,326,902	220,365,600
1946	10,184,199,083	106,001,147	7,172,702,700	440,059,536	2,465,435,700	6,717,055,591	308,559,913	5,911,653,996	149,121,182	347,720,500
1947	7,898,705,811	107,468,530	4,823,649,232	406,815,949	2,560,752,100	5,544,910,210	482,121,140	4,390,801,046	202,980,624	468,957,400
1948	7,039,058,004	110,057,506	4,659,164,638	362,395,660	1,907,440,200	5,112,915,230	515,897,583	3,824,819,470	206,483,377	565,714,800
1947—July	639,273,838	17,285,544	396,048,456	32,992,936	192,946,902	456,774,803	37,251,586	354,393,996	17,151,221	47,978,000
August	513,961,286	8,929,919	336,311,821	24,274,948	144,444,598	403,873,426	21,482,962	314,634,082	16,215,283	41,541,100
September	524,859,579	7,885,116	349,871,220	24,890,044	142,213,200	431,464,708	28,858,493	340,238,820	18,150,994	44,216,400
October	540,287,086	6,659,470	345,904,280	25,958,336	161,765,000	404,298,098	33,091,023	315,906,236	14,111,140	41,189,700
November	467,489,894	5,839,967	309,021,959	21,381,268	131,246,700	357,302,803	26,239,965	271,277,610	15,830,028	43,955,200
December	569,638,659	8,748,319	392,760,879	31,025,561	137,103,900	434,053,830	42,904,619	327,495,897	16,770,914	46,882,400
1948—January	854,396,624	17,099,324	538,695,144	50,935,357	247,666,800	453,789,894	81,726,104	309,873,339	16,597,051	45,593,400
February	663,880,938	8,741,200	410,956,734	43,478,904	200,704,100	363,743,329	58,362,381	242,347,168	17,669,880	45,363,900
March	648,658,396	7,711,602	431,213,249	35,047,282	174,686,262	462,304,089	54,693,281	340,624,471	16,984,837	50,001,500
April	522,930,574	6,548,870	363,489,898	24,506,670	128,385,138	451,601,965	42,722,507	345,575,479	17,142,779	46,161,200
May	502,330,458	5,768,599	365,183,989	21,383,170	109,994,700	428,381,590	38,002,889	316,030,722	18,893,279	55,454,700
June	591,350,673	8,839,578	419,707,012	26,521,184	136,282,900	465,326,694	40,561,774	346,421,651	20,965,969	57,377,300

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] See footnote 2, table 34.
[2] See footnote 3, table 34.
[3] Not issued after Apr. 30, 1941. Figures after that date represent accrued discount on outstanding bonds and adjustments.
[4] Series G is stated at par.
[5] Series A bonds began to mature in March 1945, Series B in January 1946, Series C–1937 in January 1947, and Series C–1938 in January 1948.

TABLE 34.—*Sales and redemptions of Series E, F, and G savings bonds, by series, fiscal years 1941–48 and monthly 1948*

[Dollars in millions]

Fiscal year or month	Sales [1,2]	Accrued discount	Sales plus accrued discount	Redemptions [3]: Total	Redemptions [3]: Original purchase price [4]	Redemptions [3]: Accrued discount [5]	Amounts outstanding [5] (interest-bearing debt)	Redemption percentages: Redemptions each month as percent of amount outstanding end of month	Redemption percentages: Cumulative redemptions as percent of cumulative sales plus accrued discount
				Series E					
Cumulative through June 30, 1948	$50,426.0	$2,021.0	$52,447.0	$20,821.7	$20,488.1	$333.7	$31,625.3		39.70
1941 (May 1 through June 30)	203.1		203.1	(*)	(*)		203.1		.01
1942	3,526.3	1.5	3,527.8	60.0	60.0	(*)	3,670.8		1.61
1943	8,271.3	33.1	8,304.4	688.6	688.0	.6	11,286.6		6.22
1944	11,819.7	118.4	11,938.1	2,099.9	2,094.7	5.2	21,124.8		11.88
1945	11,553.4	264.8	11,818.1	3,845.9	3,825.5	20.4	29,097.1		18.70
1946	6,738.9	433.8	7,172.7	5,911.7	5,842.8	68.9	30,353.2		29.34
1947	4,287.3	536.3	4,823.6	4,390.9	4,288.0	102.9	30,791.0		35.57
1948	4,026.1	633.1	4,659.2	3,824.8	3,689.0	135.8	31,625.3		39.70
1947—July	339.4	56.6	396.0	354.4	343.7	10.7	30,832.6	1.15	36.01
August	294.4	41.9	336.3	314.6	304.8	9.8	30,854.3	1.02	36.41
September	303.7	46.2	349.9	340.2	329.4	10.8	30,863.9	1.10	36.84
October	304.5	41.4	345.9	315.9	305.4	10.5	30,893.9	1.02	37.23
November	263.2	45.8	309.0	271.3	262.1	9.2	30,931.7	.88	37.54
December	325.4	67.4	392.8	327.5	316.2	11.3	30,996.9	1.06	37.90
1948—January	478.9	59.8	538.7	309.9	298.8	11.1	31,225.8	.99	38.11
February	366.9	44.0	411.0	242.3	233.3	9.0	31,394.4	.77	38.28
March	383.2	48.0	431.2	340.6	327.7	12.9	31,485.0	1.08	38.62
April	320.0	43.5	363.5	345.6	332.0	13.5	31,502.9	1.10	39.02
May	305.3	59.8	365.2	316.0	303.4	12.6	31,552.0	1.00	39.35
June	341.3	78.5	419.7	346.4	332.2	14.2	31,625.3	1.10	39.70

Footnotes at end of table

TABLE 34.—*Sales and redemptions of Series E, F, and G savings bonds, by series, fiscal years 1941–48 and monthly 1948*—Con.

[Dollars in millions]

Fiscal year or month	Sales [1] [2]	Accrued discount	Sales plus accrued discount	Redemptions [3]: Total	Redemptions [3]: Original purchase price [4]	Redemptions [3]: Accrued discount [5]	Amounts outstanding [6] (interest bearing debt)	Redemption percentages: Redemptions each month as percent of amount outstanding end of month	Redemption percentages: Cumulative redemptions as percent of cumulative sales plus accrued discount
				Series F					
Cumulative through June 30, 1948	$3,809.0	$171.6	$3,980.6	$725.5	$707.3	$18.2	$3,255.1		18.23
1941 (May 1 through June 30)	66.7		66.7	(*)	(*)		66.6		.07
1942	434.9	.2	435.1	2.9	2.9	(*)	498.9		.58
1943	757.9	2.5	760.4	17.0	17.0	(*)	1,242.3		1.58
1944	802.2	8.8	811.1	57.7	57.4	.3	1,995.7		3.74
1945	679.1	18.9	698.0	89.3	88.5	.9	2,604.4		6.02
1946	407.3	32.8	440.1	149.1	146.5	2.6	2,895.4		9.84
1947	359.7	47.2	406.8	203.0	197.2	5.8	3,099.2		14.34
1948	301.2	61.2	362.4	206.5	197.8	8.7	3,255.1		18.23
1947—July	26.6	6.3	33.0	17.2	16.5	.6	3,115.1	0.55	14.68
August	20.9	3.3	24.3	16.2	15.6	.6	3,123.1	.52	15.03
September	20.6	4.3	24.9	18.2	17.5	.7	3,129.9	.58	15.42
October	21.9	4.1	26.0	14.1	13.6	.5	3,141.7	.45	15.69
November	17.2	4.2	21.4	15.8	15.2	.6	3,147.3	.50	16.02
December	24.5	6.6	31.0	16.8	16.1	.7	3,161.5	.53	16.33
1948—January	43.6	7.3	50.9	16.6	15.9	.7	3,195.9	.52	16.55
February	39.7	3.8	43.5	17.7	16.9	.8	3,221.7	.55	16.82
March	30.3	4.8	35.0	17.0	16.3	.7	3,239.7	.52	17.11
April	20.0	4.5	24.5	17.1	16.3	.8	3,247.1	.53	17.43
May	16.8	4.6	21.4	18.9	18.0	.9	3,249.6	.58	17.82
June	19.1	7.4	26.5	21.0	19.9	1.0	3,255.1	.64	18.23

	Series G								
Cumulative through June 30, 1948	$17 653 7		$17 653 7	$1 803 7	$1 803 7		$15 850 0		10 22
1941 (May 1 through June 30)	394.6		394 6	5	5		394.0		14
1942	2 032.1		2 032 1	11 8	11 8		2 414.3		51
1943	2,759.5		2,759 5	54.5	54 5		5,119 2		1 29
1944	2 875.6		2,875 6	134 0	134 0		7 860 8		2 49
1945	2 658.3		2,658 3	220 4	220 4		10 298.8		3 93
1946	2 465.4		2,465 4	347 7	347 7		12 416 5		5 83
1947	2 560 8		2,560 8	469 0	469 0		14 508 3		7 86
1948	1 907 4		1 907 4	565 7	56o.7		15 850 0		10 22
1947—July	192.9		192 9	48 0	48 0		14 653 3	0 33	8 07
August	144 4		144 4	41 5	41 5		14,756 2	28	8 25
September	142.2		142 2	44 2	44 2		14 854 2	30	8.45
October	161 8		161 8	41 2	41 2		14 974.7	28	8 62
November	131 2		131 2	44 0	44.0		15 062.0	29	8.82
December	137 1		137 1	46 9	46 9		15,152 2	31	9 03
1948—January	247 7		247 7	45 6	45.6		15 354.3	30	9 17
February	200 7		200 7	45 4	45 4		15 509 7	29	9 32
March	174.7		174 7	50 0	50 0		15 634.3	32	9 52
April	128.4		128 4	46 2	46 2		15 716 6	29	9 71
May	110 0		110 0	55 5	55 5		15 771 1	35	9 97
June	136 3		136 3	57 4	57 4		15, 8o0 0	36	10 22

NOTE —Figures are rounded and will not necessarily add to totals Details by months from May 1941 for Series E F and G bonds (and from May 1935 for Series A–D bonds) will be found in 1943 annual report p 604, and in corresponding tables in subsequent reports Series A–D sales and redemptions during 1948 will be found in table 33 of this report

*Less than $50,000

[1] Includes sales of F and G bonds to commercial banks During calendar year 1940 commercial banks were permitted to purchase limited amounts of Series F and G bonds for investment of savings deposits (for details as to limitations, see pp 44 and 47 of 1944 annual report) and they were again permitted to make such purchases from June 18 through June 30 1945 (see pp 50 and 51 of 1945 annual report) and from Dec 3 through Dec 8, 1945 (see p 38 of 1946 annual report)

[2] Beginning with June 1947, Series E sales include small amounts of unclassified sales consisting of Series E F and G These amounts are substantially less than sales reported as unclassified in daily Treasury statement The greater part of that item consists of sales for which information is available as to series but not year of issue On basis of that information such sales are included in this table according to series. Prior to June 1947 it was possible to distribute by series all sales reported as unclassified in daily Treasury statement.

[3] Series E redemptions include small amounts of unclassified Series A–D redemptions beginning with October 1944 and small amounts also of unclassified Series F and G redemptions beginning with June 1947

[4] Estimated except for Series G

[5] Estimated Figures represent increment in value

[6] Amounts outstanding are at current redemption values, except Series G bonds which are stated at par Unclassified bonds shown in daily Treasury statement have been classified by series in this table

TABLE 35.—*Sales of Series E, F, and G savings bonds, by denominations, fiscal years 1941–48 and monthly 1948*

[On basis of daily Treasury statements and reports of sales]

Fiscal year or month	Total all denominations	$10 [1]	$25	$50	$100	[$200 [2]	$500	$1 000
	Series E sales in millions of dollars at issue price							
1941	203 1		14 4	13 3	41 4		40 7	93 4
1942	3 526 3		615 6	341 5	312 7		636 9	1 119 5
1943	8 271 3		2 988 2	1,081 0	1 713 8		1 007 3	1 431 0
1944	11 810 7		4,149 1	1,042 5	2,583 5		1 396 9	2 047 8
1945	11 553 4	00 2	3 027 7	1,724 8	2 406 2		1 325 7	2 099 7
1945	6 733 9	63 8	2 101 3	916 8	1 162.0	196 6	774 3	1 596 6
1947	4 287 3	15 7	800 2	408 6	585 2	120 1	616 7	1 680 8
1948	4 026 6	3.0	677 7	871 3	583 2	122.4	589 2	1 673 3
1947—July	336 4	5	60 7	32 0	48 6	16 0	50 6	137 6
August	294.4	4	55 0	28 6	44 2	8 6	43 9	113 7
September	303 7	4	58.7	30 0	47 6	9 8	44 9	112 8
October	304 5	4	50 5	30 4	46 9	9 6	45 5	115 1
November	203 2	3	51 2	27 4	46 4	8 2	33 2	07 6
December	325 4	3	59 8	32 8	56 6	16 7	47 9	123 4
1948—January	478 9	8	60 2	33 6	58 2	13 4	73 4	239 8
February	366 9	4	52 4	29 9	48 2	16 5	54 5	171 0
March	383 2	2	62 7	35 3	56 2	11 8	56 2	160 7
April	320 6	2	53 0	29 9	47 3	0 7	45 3	134 4
May	365 3	2	49 0	28 2	43 9	9 2	41 1	133 7
June	341 3	2	58 6	32 9	51 3	16 9	47 7	130 6
	Series E sales, in thousands of pieces							
1941	1 965		767	353	552		108	125
1942	55 907		32,832	9 107	16 837		1 508	1,493
1643	215 766		159 366	28 828	22 851		2 680	1 975
1944	365 986		221,284	43 800	31 447		3 725	2 730
1945	303,116	9,223	209,480	45 995	32,083		3 535	2,800
1646	165 036	8 505	112 071	24 274	14 693	1,311	2 665	2 121
1647	71,350	2 095	45 876	10 396	7 803	801	1 645	2,241
1648	58 071	522	30 140	9 901	7,777	816	1 571	2,238
1947—July	5 165	73	3 237	853	648	07	135	183
August	4 662	50	2 934	763	589	58	117	152
September	4 950	51	3,129	866	635	65	120	150
October	4 344	53	3,015	812	026	64	121	153
November	4 327	39	2 732	732	538	55	102	130
December	5 130	30	3,188	374	674	71	128	165
1948—January	5 529	43	3,209	397	775	39	106	320
February	4,729	48	2 797	798	642	76	145	228
March	5,508	32	3,342	942	750	79	150	214
April	4,652	30	2 828	798	630	05	121	179
May	4 332	32	2,612	753	580	61	116	178
June	5,105	32	3 125	378	684	73	127	136

Fiscal year or month	Total all denominations	$25 [3]	$100	$500	$1,000	$5,000	$10,000
	Series F sales in millions of dollars at issue price						
1941	66 7	- --	0 9	2 6	13 2	12 3	38 8
1942	434.9	1 3	19 6	27 5	123 6	91 7	171 1
1943	757 9	4 0	24 8	40 6	210 1	170 2	308 8
1944	802 2	5 6	24 9	46 9	213 3	162 7	854 8
1945	679 1	5 4	20 6	32 7	167 3	127 5	326 2
1946	467 3	2.3	9 9	16 6	101 3	77 7	199 2
1947	869 7	8	5 6	11 0	30 6	72 1	130 3
1948	301 2	6	4 6	16 5	72 6	59 0	154 2
1947—July	20 6	1	4	1 6	7 3	5 8	12 6
August	20 0	(*)	8	8	4 8	4 5	10 5
September	20 6	(*)	3	3	6 6	4 8	8 6
October	21 9	(*)	4	9	0 3	4 9	9 3
November	17 2	(*)	4	7	4 9	3 5	7 7
December	24.5	1	5	1 6	6 9	5 5	10 6
1948—January	43 6	1	5	1 1	8 7	7 8	25 9
February	39 7	(*)	4	1 0	6 3	6 4	24 9
March	30 3	(*)	5	1 6	6 9	5 3	16 1
April	26 0	(*)	5	3	4.9	3 7	10 1
May	16 3	(*)	3	0	3 7	3 2	8 9
June	19 1	1	4	3	4 7	8 6	9 5

Footnotes at end of table

TABLE 35.—*Sales of Series E, F, and G savings bonds, by denominations, fiscal years 1941–48 and monthly 1948*—Continued

Fiscal year or month	Total all denominations	$25 [3]	$100	$500	$1 000	$5 000	$10 000
	Series F sales in thousands of pieces						
1941	44		12	6	18	3	5
1942	627	72	265	74	167	25	23
1943	1 932	216	335	119	284	49	42
1944	1 130	393	336	111	288	44	48
1945	955	291	270	88	226	34	44
1946	489	126	133	40	137	21	27
1947	317	43	79	31	120	19	24
1948	260	31	67	28	97	16	21
1947—July	24	3	6	3	10	2	2
August	18	2	4	2	7	1	1
September	20	2	5	2	8	1	1
October	22	3	6	2	9	1	1
November	17	2	5	2	7	1	1
December	25	3	7	3	9	1	1
1948—January	31	3	7	3	12	2	3
February	25	2	6	3	9	2	8
March	24	3	6	3	9	2	2
April	20	8	9	2	7	1	1
May	15	2	4	2	5	1	1
June	19	3	5	2	6	1	1

Fiscal year or month	Total all denominations	$100	$500	$1,000	$5,000	$10,000
	Series G sales, in millions of dollars at issue price					
1941	394 6	4 8	11 2	82 4	71 8	224 3
1942	2 032 1	50 9	113 0	578 1	406 2	883 8
1943	2 759 5	81 5	188 7	805 7	526 3	1 157 3
1944	2 875 0	108 8	249 6	942 3	520 7	1 054 2
1945	2 658 3	88 5	221 9	844 7	467 6	1 035 6
1946	2 405 4	51 6	162 6	799 7	478.6	973 9
1947	2 560 8	88 7	157 0	849 4	540 2	975.4
1948	1,907 4	31 8	125 4	659 1	403 5	600 5
1947—July	192 9	3 2	13 5	71 2	49 2	58 9
August	144 4	2 7	10 5	54 4	33 4	43 5
September	142 2	2 8	10 6	55 9	32.8	41 0
October	161 8	2 8	11 5	61 2	38 7	47 6
November	131 2	2 8	9 2	47 9	39 0	41 9
December	137 1	2 6	10 0	51 5	29 7	43 3
1948—January	247 7	3 2	13 2	69 4	42 4	119 5
February	200 7	2 0	19 5	54 5	35 1	97 9
March	174 7	2.7	10 7	56 4	36 8	68 1
April	128 4	2 3	8 6	42 7	26 9	47 9
May	110 9	2 2	8 1	49 1	23 2	36 4
June	136 3	2 4	9 2	45 8	28 2	50 8
	Series G sales in thousands of pieces					
1941	199	48	22	82	14	22
1942	1,483	509	226	578	81	88
1943	2 219	815	377	896	105	116
1944	2 739	1,088	499	942	104	105
1945	2 371	885	444	845	94	104
1946	1 883	516	325	899	96	97
1947	1 756	887	314	849	108	98
1948	1 370	318	251	650	81	70
1947—July	145	32	27	71	9	6
August	113	27	21	54	7	4
September	114	28	21	55	7	4
October	125	28	23	61	8	5
November	99	28	18	48	6	4
December	108	26	29	52	6	4
1948—January	148	32	26	69	8	12
February	118	26	21	55	7	19
March	119	27	21	56	7	7
April	93	23	17	43	5	5
May	89	22	16	40	5	4
June	99	24	18	46	6	5

NOTE.—Figures are rounded and will not necessarily add to totals. Details of amounts of sales by months beginning May 1941 will be found in the 1943 annual report, p. 611, and in corresponding tables in subsequent reports. * Less than $50 000.

[1] Sale of $10 denomination Series E bonds was authorized beginning June 1944 for sale to armed forces only.
[2] Sale of $200 denomination Series E bonds began in October 1945.
[3] Sale of $25 denomination Series F bonds was authorized in December 1941.

TABLE 36.—*Redemptions of Series E, F, and G savings bonds, by denominations, fiscal years 1941–48 and monthly 1948*

[On basis of Public Debt accounts, see p 393]

Fiscal year or month	Total all denominations	$10	$25	$50	$100	$200	$500	$1,000
	Series E redemptions in thousands of pieces							
1941	(*)		(*)	(*)	(*)		(*)	(*)
1942	952		577	146	177		39	27
1943	25 750		22 074	2 330	1 132		115	99
1944	78 286		[illegible] 956	8,221	3 550		321	235
1945	136 231	1,317	196 870	19 791	7 819		596	428
1946	191 788	6,247	144 126	26 185	13 143	77	1 137	874
1947	123 538	4 698	88 762	17 847	19,099	180	1 104	899
1948	92,078	2,617	64 359	14,192	9 262	243	1,192	993
1947—July	8 376	216	5 965	1 246	770	18	86	73
August	8 127	198	5 736	1 237	778	19	86	73
September	7 411	186	5 235	1 111	714	17	80	69
October	8 684	267	6,100	1 315	857	20	99	86
November	6 784	148	4 735	1 950	681	17	81	72
December	8 235	181	5 820	1 249	796	20	91	81
1948—January	7 785	187	5,444	1,189	772	20	91	85
February	6 125	131	4 218	953	648	18	81	75
March	7 813	155	5 363	1 216	836	23	104	97
April	7 878	149	5 472	1,221	818	24	102	93
May	7 360	120	5,075	1,157	783	23	99	93
June	7 501	139	5 166	1,181	807	24	162	96

Fiscal year or month	Total all denominations	$25	$100	$500	$1 000	$5 000	$10 000
	Series F redemptions, in thousands of pieces						
1941	(*)		(*)		(*)	(*)	(*)
1942	2	(*)	1	(*)	1	(*)	(*)
1943	19	2	7	2	6	1	1
1944	69	11	22	7	21	4	3
1945	123	27	38	13	35	6	5
1946	230	56	72	23	66	9	7
1947	272	61	84	20	75	12	11
1948	306	79	94	31	80	12	19
1947—July	25	6	8	3	7	1	1
August	36	16	9	3	7	1	1
September	26	7	8	3	6	1	1
October	22	5	7	2	6	1	1
November	26	7	9	3	6	1	1
December	27	7	8	3	7	1	1
1948—January	22	6	7	2	5	1	1
February	25	6	8	2	6	1	1
March	23	6	7	3	6	1	1
April	23	5	7	3	6	1	1
May	28	7	8	3	8	1	1
June	29	7	9	3	9	1	1

Footnotes at end of table

TABLE 36.—*Redemptions of Series E, F, and G savings bonds, by denominations, fiscal years 1941–48 and monthly 1948*—Continued

Fiscal year or month	Total all denominations	$100	$500	$1,000	$5,000	$10 000
	Series G redemptions, in thousands of pieces					
1941	(*)	(*)	(*)	(*)	(*)	(*)
1942	7	2	1	3	(*)	1
1943	41	15	6	15	2	2
1944	117	47	19	40	6	5
1945	218	90	38	73	9	7
1946	371	155	65	126	15	10
1947	474	188	85	167	20	14
1948	553	198	102	212	24	16
1947—July	46	17	9	17	2	2
August	42	16	8	16	2	1
September	44	16	8	17	2	1
October	41	15	7	15	2	1
November	45	16	8	17	2	1
December	47	17	9	18	2	1
1948—January	43	15	8	17	2	1
February	43	15	8	17	2	1
March	48	17	9	18	2	1
April	44	15	8	18	2	1
May	54	19	10	21	2	2
June	55	19	10	21	2	2

NOTE.—Figures are rounded and will not necessarily add to totals.

*Less than 500 pieces.

TABLE 37 —*Sales and redemptions of United States savings bonds, by States, fiscal year 1948 and cumulative*

[In thousands of dollars On basis of reports received by Treasury Department with totals adjusted to basis of daily Treasury statements]

State	Sales at issue price				Redemptions at current redemption value [1]	
	Series E bonds		Series F and G bonds		Series A–F bonds	
	Fiscal year 1048	May 1941–June 1948	Fiscal year 1948	May 1041–June 1948	Fiscal year 1048	October 1044–June 1948
Alabama	32 076	575 760	14 754	158,349	47 125	237 923
Arizona	13,607	179 209	5,474	50 046	22 059	89 846
Arkansas	24 480	321 306	10 493	97 729	28,274	132 227
California	271,441	3,990 501	140 542	1 388,747	416 502	1 771 447
Colorado	36 573	897 571	20,747	179,561	42,643	167 069
Connecticut	51 209	808 037	31,519	402 887	65,785	295 171
Delaware	8 202	118,284	5 891	77 269	9 761	43,039
District of Columbia	53 655	025,390	18 896	184,216	59,658	223 317
Florida	42,503	611 861	25 975	236 548	74,288	307 058
Georgia	40 584	618,105	17 802	199 755	59,367	259,899
Idaho	12 240	161 844	6,080	50 219	13 781	57 680
Illinois	366 757	3 750 415	211 469	1,693 232	339 259	1 408 865
Indiana	105 908	1 332,215	65 445	505 182	104,517	522 135
Iowa	167 629	1,247 499	102 600	575,248	95 070	348 902
Kansas	81 811	743,041	30 018	262 612	59,027	231 233
Kentucky	43,345	542 101	33,741	278,136	47,259	221 227
Louisiana	38 023	560 751	18,217	207,770	48 101	219 273
Maine	13 975	220 120	10 830	125,828	17,875	75,074
Maryland	40,200	648 504	32,534	314,769	00 077	240 978
Massachusetts	103 319	1 645 848	90 075	1,028,705	130 168	548,401
Michigan	179 111	2,628,145	64 992	618,052	218 301	1,089 838
Minnesota	98,980	1 070 140	55 600	443,237	101,208	393 404
Mississippi	23 561	342 886	11 043	110 703	27 752	120 388
Missouri	123,170	1,278,437	08 503	500,661	128 826	521 634
Montana	24 737	249 307	9 002	74 146	20,005	78 883
Nebraska	87 052	618 082	45,227	255 508	45 704	176 050
Nevada	8 872	59,963	2 212	21 450	5 816	20 390
New Hampshire	8 140	139,839	7,606	86,252	11 315	48,058
New Jersey	133 584	1,824,.42	67,520	671,474	142 340	020,929
New Mexico	8 726	117,048	4 529	41 002	13,342	53,513
New York	462 030	6 074,672	314 720	8,437,470	429 268	1,822,237
North Carolina	47,555	661,540	23 164	244 520	59,022	249,110
North Dakota	28 582	259,412	12 854	88,802	14 071	53,888
Ohio	226 328	8 016,171	120,307	1,181,475	243 693	1 140 930
Oklahoma	57,092	600,315	22 033	160 313	57 493	247,748
Oregon	86 000	619,219	17 659	173 839	52 828	254,755
Pennsylvania	303 393	3 791,856	167,833	1,712 631	323 681	1,434 161
Rhode Island	17,984	276,173	13 434	102,171	20 872	04 928
South Carolina	22 080	324 752	12,633	115,747	26 259	118 092
South Dakota	43 291	267,155	16,843	84 075	16 322	57 553
Tennessee	40 335	607 929	22,049	218 041	51,590	248 554
Texas	136 307	1,968,222	59,120	580,642	185 115	833,660
Utah	13 249	217,894	4 486	44,526	20 825	91 017
Vermont	5,066	80,960	4,295	47,423	6 502	24,836
Virginia	65,717	870 617	27,392	285,238	83 809	332,310
Washington	58,105	988,490	81 029	294 832	80 449	376 409
West Virginia	43,374	436,764	16,279	115 789	37,937	171 707
Wisconsin	96,210	1,123 795	72,286	558,235	92 842	879 855
Wyoming	8 794	103 040	4,632	36 632	9,118	35 988
Alaska		[2] 30,075		[2] 5 340	2,525	10 357
Canal Zone	2,909	31,753	345	6,846	3,853	9,230
Hawaii	6,823	260 260	3,897	62,073	10 381	89 667
Puerto Rico	1,413	88,095	110	13,756	0,218	25,981
Virgin Islands	45	1 854	-	812	133	671
Other possessions	768	1,981	2	005		
Sales to commercial banks [3]			-	895,480		
Adjustment to daily Treasury statement	+61,574	+243,757	−8 008	+14 851	+43,516	+01,704
Total	4,026,051	50,426,010	2 208,626	21,462 697	4 340 718	18,706,891

NOTE —Figures are rounded and will not necessarily add to totals Sales from May 1941 through June 1946 by months, fiscal years, and calendar years will be found in 1943 annual report pp 614 and 618, and in corresponding tables in subsequent reports Redemptions, by months during 1946, calendar year 1045 and fiscal year 1946 will be found in 1946 annual report, p 532 Sales and redemptions, by months, for subsequent periods may be found at intervals in *Treasury Bulletin* Data on redemptions by States are not available prior to October 1944

[1] State redemption figures are not necessarily comparable with State sales data inasmuch as bonds which have been purchased in one State may have been redeemed in another Moreover, redemptions in this table are based on current redemption values, whereas sales are shown at issue price

[2] Includes sales through March 1947

[3] State figures exclude sales of Series F and G bonds to commercial banks Commercial banks were permitted to purchase these bonds under certain conditions (see footnote 1, table 34)

TABLE 38.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations*

[On basis of Public Debt accounts, see p. 393]

I. SERIES A THROUGH E SAVINGS BONDS

Series and calendar year in which issued	Percent of Series A through E savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
	$10 denomination [1]								
E-1944	20	49	63	70					
E-1945	45	63	71						
E-1946	52	68							
E-1947	51								
Average, Series E issued from June 1, 1944	42	60	67	70					
	$25 denomination								
A-1935	10	18	26	31	35	38	40	42	43
B-1936	12	23	30	36	40	42	44	45	47
C-1937	12	22	29	34	37	39	40	42	44
C-1938	10	19	26	30	32	33	35	38	41
D-1939	11	20	24	27	29	31	35	38	41
D-1940	11	16	10	22	25	29	33	36	
D-1941 and E-1941	4	9	14	19	26	32	37		
E-1942	16	26	34	44	51	57			
E-1943	26	38	50	58	63				
E-1944	33	50	59	65					
E-1945	46	58	65						
E-1946	46	57							
E-1947	46								
Average, Series A-E issued through Dec. 31, 1941	10	18	24	28	32	35	38	40	43
Average, Series E issued from Jan. 1, 1942	35	46	52	56	57	57			
	$50 denomination								
A-1935	8	10	23	28	32	30	38	39	40
B-1936	10	20	27	33	37	39	41	42	44
C-1937	10	19	26	31	34	36	37	39	41
C-1938	8	16	23	26	28	30	31	34	36
D-1939	7	15	19	21	24	26	29	31	34
D-1940	7	12	15	17	20	21	26	29	
D-1941 and E-1941	3	7	11	15	21	26	31		
E-1942	8	16	22	31	38	44			
E-1943	16	26	37	46	52				
E-1944	23	39	49	55					
E-1945	36	49	56						
E-1946	35	46							
E-1947	34								
Average, Series A-E issued through Dec. 31, 1941	8	15	20	24	28	31	33	30	39
Average, Series E issued from Jan. 1, 1942	25	35	41	44	45	44			

Footnotes at end of table.

TABLE 38.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations*—Continued

I. SERIES A THROUGH E SAVINGS BONDS—Continued

Series and calendar year in which issued	Percent of Series A through E savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
	$100 denomination								
A-1935	7	14	21	26	30	33	35	37	38
B-1936	9	18	24	29	34	36	38	39	40
C-1937	9	17	23	28	31	33	35	36	38
C-1938	8	15	21	25	27	28	30	32	34
D-1939	7	14	18	21	23	25	28	30	33
D-1940	7	12	14	17	19	22	26	28	
D-1941 and E-1941	3	7	10	14	16	24	28		
E-1942	5	10	15	22	29	34			
E-1943	8	15	24	32	38				
E-1944	11	23	32	39					
E-1945	20	31	38						
E-1946	20	30							
E-1947	20								
Average, Series A-E issued through Dec 31, 1941	7	14	19	23	26	29	31	34	37
Average, Series E issued from Jan 1, 1942	14	22	27	31	33	34			
	$200 denomination [2]								
E-1945	6	15	23						
E-1946	12	21							
E-1947	12								
Average, Series E issued from Oct 1 1945	10	18	23						
	$500 denomination								
A-1935	5	11	17	21	25	28	30	32	33
B-1936	7	14	19	24	28	30	32	33	34
C-1937	8	14	19	24	27	29	30	32	34
C-1938	7	13	18	22	24	26	27	29	31
D-1939	6	12	16	19	21	23	25	28	30
D-1940	6	10	13	16	18	21	24	27	
D-1941 and E-1941	3	7	10	13	18	21	25		
E-1942	4	8	13	19	24	29			
E-1943	5	11	19	26	31				
E-1944	7	17	24	30					
E-1945	11	20	27						
E-1946	11	21							
E-1947	12								
Average, Series A-E issued through Dec 31, 1941	6	12	16	20	23	25	28	30	33
Average, Series E issued from Jan 1, 1942	9	15	21	25	28	29			
	$1 000 denomination								
A-1935	4	9	14	17	20	23	25	26	27
B-1936	5	10	14	18	20	22	24	25	26
C-1937	6	10	14	17	19	21	22	24	25
C-1938	4	8	12	15	16	18	19	21	22
D-1939	4	7	11	13	14	16	18	20	22
D-1940	3	7	10	12	14	16	18	20	
D-1941 and E-1941	3	6	9	11	15	18	21		
E-1942	4	8	12	17	22	26			
E-1943	5	11	18	24	29				
E-1944	7	16	23	29					
E-1945	11	19	26						
E-1946	10	19							
E-1947	11								
Average, Series A-E issued through Dec 31, 1941	4	8	12	15	17	19	21	22	25
Average, Series E issued from Jan 1 1942	8	15	20	24	26	26			

Footnotes at end of table.

TABLE 38.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations*—Continued

II. SERIES F AND G SAVINGS BONDS

Series and calendar year in which issued	Percent of Series F and G savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
	$25 denomination [3]								
F-1941	0	5	11	19	27	39	49		
F-1942	1	4	6	11	15	20			
F-1943	3	7	12	18	24				
F-1944	8	10	16	25					
F-1945	6	14	22						
F-1946	5	14							
F-1947	5								
Average, Series F issued from May 1, 1941	4	9	14	18	22	30	49		
	$100 denomination								
F-1941 and G-1941	1	4	6	9	13	16	20		
F-1942 and G-1942	1	4	8	12	16	20			
F-1943 and G-1943	2	6	11	16	21				
F-1944 and G-1944	2	8	13	19					
F-1945 and G-1945	4	10	15						
F-1946 and G-1946	4	10							
F-1947 and G-1947	4								
Average, Series F and G issued from May 1, 1941	3	7	11	14	17	18	20		
	$500 denomination								
F-1941 and G-1941	1	3	6	9	12	15	18		
F-1942 and G-1942	1	4	7	11	15	19			
F-1943 and G-1943	2	6	10	15	18				
F-1944 and G-1944	2	7	12	17					
F-1945 and G-1945	3	9	14						
F-1946 and G-1946	3	9							
F-1947 and G-1947	4								
Average, Series F and G issued from May 1, 1941	2	6	10	13	15	17	18		
	$1,000 denomination								
F-1941 and G-1941	1	3	6	8	11	14	17		
F-1942 and G-1942	1	4	7	11	15	18			
F-1943 and G-1943	2	6	10	15	19				
F-1944 and G-1944	2	7	12	17					
F-1945 and G-1945	3	8	13						
F-1946 and G-1946	3	8							
F-1947 and G-1947	4								
Average, Series F and G issued from May 1, 1941	2	6	9	12	15	16	17		

Footnotes at end of table.

TABLE 38.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations*—Continued

II. SERIES F AND G SAVINGS BONDS—Continued

Series and calendar year in which issued	Percent of Series A through E savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
	$5,000 denomination								
F-1941 and G-1941	1	3	5	8	10	13	16		
F-1942 and G-1942	1	5	8	12	16	19			
F-1943 and G-1943	2	6	11	16	21				
F-1944 and G-1944	2	7	13	17					
F-1945 and G-1945	3	9	13						
F-1946 and G-1946	3	8							
F-1947 and G-1947	4								
Average, Series F and G issued from May 1, 1941	2	6	10	13	16	16	16		
	$10,000 denomination								
F-1941 and G-1941	1	3	5	7	9	11	14		
F-1942 and G-1942	1	4	7	10	14	17			
F-1943 and G-1943	2	5	9	13	17				
F-1944 and G-1944	2	4	8	10					
F-1945 and G-1945	2	5	8						
F-1946 and G-1946	2	6							
F-1947 and G-1947	7								
Average, Series F and G issued from May 1, 1941	2	5	7	10	13	14	14		

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value. The average percentages shown above are simple averages of the percentages for the applicable annual series.

[1] June 1, 1944, is the earliest issue date for bonds of the $10 denomination.
[2] Oct. 1, 1945, is the earliest issue date for bonds of the $200 denomination.
[3] Series G savings bonds are not available in denominations of $25.

TABLE 39 —*Sales and redemptions of Treasury notes, tax and savings series, August 1941–June 1948* [1]

[Par values On basis of daily Treasury statements see p 393]

Series and period	Sales (including exchanges)	Redemptions (including exchanges)			Amount outstanding	
		Total	For cash	For taxes	Matured debt	Interest bearing debt
Cumulative August 1941 through June 30 1948						
Series A	$406 920 750	$403 856 550	$65 808, 250	$338, 048 300	$3 064, 200	-
Series B	4, 943 826, 600	4, 943 527 900	182, 334, 900	4 761, 193 000	298 700	-
Series C	32, 242, 197 100	27 816 377 300	7 795 272, 600	20 021, 104, 700	32, 121 100	$4, 393 698 700
Total	37 592, 944 450	33, 163 761 750	8, 043 415 750	25 120 346 000	35, 484, 000	4, 393 698 700
Series C						
By fiscal years						
1943	7 546 713 000	1 082, 738 000	35 564, 000	1 047 174 000	-	6 463 975 000
1944	8 953, 694, 500	5, 969 931 900	462 008 300	5 507 923 600	-	9 447 737 600
1945	7 015 838, 700	6 396 060 300	542 714, 400	5 853 345, 900	-	10 067 516, 000
1946	3 525 477 500	6 872, 511 900	2, 601 573 900	4 270 938, 000	8, 982, 500	6 711 499 100
1947	3 056 634, 900	4 194, 030 900	2, 182 431, 000	2, 011 599 900	23, 005 900	5 560 079 700
1948	2, 143, 838 500	3 301, 104, 300	1 970 981 000	1 330 123 300	32, 121 100	4 393 698 700
By months						
1947—July	231 274, 600	200 837 000	132, 813 200	68, 023 800	21 624 100	5 591 899 100
August	153 922, 500	104, 940 800	66 592, 800	38 348 000	20 635 100	5 641 869, 800
September	170 694, 900	284, 380 825	82 498, 925	201 881 900	17 826 075	5, 530 992, 900
October	214, 729 200	129, 072, 475	80 987 775	48, 084, 700	16, 975 700	5 617 500 000
November	177, 160 200	261 616 500	233 297 300	28 319 200	16 263 000	5 533 756 400
December	367 343 900	444, 420 500	241 417 100	203 003, 400	88 956 000	5 383 986 800
1948—January	143 294, 800	140 724 450	72 477 800	68, 246 650	72 930 400	5 402 582, 750
February	111, 122, 600	193, 716 950	153 659 400	40 057 550	65 927 200	5, 326 991, 600
March	120 185, 400	364, 402 300	91 013 100	273 389 200	48, 505 000	5 100 196, 900
April	128 814, 100	347 713 800	245 572, 900	102, 140 900	43 324 200	4, 886 478 000
May	141 904 300	291 105, 700	261 930 700	29 175 000	39 774, 500	4 740 828 300
June	183 392 000	538 173 000	308 720 000	229 453 000	32 121, 100	4, 393 698, 700

[1] All series originally issued as Treasury notes—tax series However designation of Series C was changed to Treasury savings notes, Series C on June 23 1943 For description of all series, see 1943 annual report, p 533 and p 458 of this report Sales and redemptions from inception, August 1941 will be found in 1943 annual report pp 638 and 640 and in corresponding tables in subsequent reports

Interest on public debt and guaranteed obligations

TABLE 40.—*Amount of interest bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1916–48, and at the end of each month during 1948* [1]

[On basis of Public Debt accounts through June 1937, and subsequently on basis of daily Treasury statements, see p 393]

End of fiscal year or month	Interest bearing debt [2]	Computed annual interest charge	Computed rate of interest
June 30—			*Percent*
1916	$971 562,590	$23 084 635	2 370
1917	2,712 549 470	83 625,482	3 120
1918	11,985,882,436	468,618,544	3 910
1919	25,234 496,278	1,054,204,509	4 178
1920	24,061 095,361	1 016,592,210	4 225
1921	23 737 352,080	1,020,017,903	4 339
1922	22,711 035 587	962,896,535	4 240
1923	22 007 590 754	927,331 341	4 214
1924	20,981,586,429	876 960,673	4 180
1925	20 210 906 251	829,680,044	4 105
1926	19,383 770 860	793 423 952	4 093
1927	18 250,943,965	722,675 553	3 960
1928	17 317 695,096	671,353 112	3 877
1929	16 638 941 379	656 654,311	3 946
1930	15 921,892 350	606 031,831	3 807
1931	16,519 588 640	588 987,438	3 566
1932	19 161 273 540	671 604,676	3 505
1933	22 157 643 120	742,175 955	3 350
1934	26 480 487,920	842,301,133	3 181
1935	27,645 229 826	750 677 802	2 716
1936	32 755 631 770	838 002,053	2.559
1937	35 802,586 915	924 347,089	2.582
1938	36,575,925 880	947 084 058	2.589
1939	39,885,969,732	1,036 937,397	2 600
1940	42,376 495,928	1 094 619 914	2.583
1941	48 387,399,539	1 218,238 845	2 518
1942	71,968,418,098	1 644 476 380	2.285
1943	135,380 305,795	2 678 779,036	1 979
1944	199,543,355,301	3,849,254,656	1 929
1945	256,356 615 818	4,963 730 414	1 936
1946	268,110 872,218	5 350 772,231	1 996
1947	255,113 412,039	5 374 409 074	2.107
1948	250,063,348,379	5 455,475,791	2 182
End of month—			
1947—July	256,320,915 368	5 422 324 208	2 116
August	257 110 118 033	5 402 887 759	2.125
September	256,106 837,450	5 448,189 109	2.128
October	256,269,809 880	5 454 850 069	2 120
November	255 590 778,550	5 460 027 058	2 137
December	254,205 178 491	5 440,438 000	2 144
1948—January	253 958,085,017	5 470 953 670	2.155
February	252 090,923 368	5 469 143 874	2 170
March	250,633 833 166	5,433,078 082	2.168
April	249 919 536 208	5 431 275 750	2 174
May	249 058,295,701	5,433,776 437	2 174
June	250,063,348,379	5,455 475 791	2 182

[1] For monthly data back to June 30 1916, see annual reports for 1929, p 509 for 1936, p 442 and corresponding tables in subsequent reports.

[2] Interest-bearing debt includes discount on Treasury bills from June 30, 1930, the amount being deducted from interest bearing debt before calculation of average interest rate Savings bonds of Series A–F are included in interest-bearing debt at their current redemption value from March 1935 Treasury tax and savings notes, beginning August 1941, are included at face amount Face value of savings bonds and tax and savings notes of any yearly series maturing from month to month which are not currently presented for retirement is shown as interest-bearing debt until all bonds or notes of yearly series have matured Thereafter, total amount outstanding is shown as matured debt upon which interest has ceased In computing average rate of interest, the rates used for both savings bonds and tax and savings notes are based upon annual yield on such obligations if held to maturity

TABLE 41 —*Interest on the public debt, payable, paid, and outstanding unpaid, by security classes, fiscal year 1948*

[On basis of Public Debt accounts, see p 393]

Issue	Outstanding unpaid June 30, 1947	Due and payable during 1948	Payments during 1948	Outstanding unpaid June 30 1948
Conversion bonds etc	$320,170 66	$1 404 045 20	$1 488 678 85	$325 537 01
Postal savings bonds	234 888 05	2,888 853 75	2,881 441 00	241 801 70
Liberty bonds and Victory notes	5,174 329 84	40 38	76 075 08	5 098 294 09
Treasury bonds	119 372 510 50	2 729 425 500 32	2 735 677 608 87	113 120 401 05
Treasury notes				
Regular issues	1,321 807 15	86 704 902 51	87 425 909 78	600 790 88
Tax and savings series	63 355,322 28	55 134 611 55	62 607 790 22	55 882 143 61
Special issues	11,863 800 61	421,136 281 75	413 878 367 21	10 121 221 15
Certificates of indebtedness				
Regular issues	1 404 994 86	201 268 654 98	201 629 056 87	1,044 592 97
Special issues		314 271 210 47	814,271 210 47	
Treasury (war) savings securities	3 098,850 00		20 560 00	3 078 290 00
Treasury bills [1]		132 136,811 95	132 136 311 95	-
United States savings bonds				
Series B to F [1]		804,866 008 51	804 866 008 51	
Series G	3 959,164 37	353,603 434 40	345 420 025 42	12,133 578 35
Adjusted service bonds	4,087 526 76	57 726 00	1 004 850 00	3,050 402 70
Depositary bonds	5 878 20	6,888 087 05	6 387 276 56	0,688 69
Armed forces leave bonds	-	66,510 388 82	66 510 388 82	-
Treasury bonds investment series		11 973 907 45	11 068 967 45	5 000 00
Total	214 198 830 68	5 187 440 615 00	5 187 849 707 61	213 798,747 16

[1] Amounts represent discount treated as interest

TABLE 42 —*Interest paid on the public debt, by issues, fiscal years 1946–48* [1]

[On basis of Public Debt accounts, see p 393]

Issues	Rate of interest	1946	1947	1948
Debt unmatured as of June 30 in the respective years	*Percent*			
Panama Canal loan of 1961	3	$1 621 748.25	$1,478,469 00	$1,487 512 50
Conversion bonds of 1946–47	3	752 802 75	(2)	(2)
Postal savings bonds	2½	2,017 164 00	2 902,741 75	2,881 441 00
Treasury bonds				
1947–52	4¼	32 222,752.67	32 224 401 24	(2)
1951–55	3	22 593 540 00	22,674,611 25	22 697 878.25
1949–52	3⅛	15,210 310 30	15 524,675 97	15 361 020 18
1955–60	2⅞	74 936 076.51	74 870 125 72	75,153 976.47
1948–51	2¾	83,625 547 86	33 618 680 86	(2)
1951–54	2¾	44 562 941 83	44 885 326.58	44 644 901 90
1956–59	2¾	26,981 493 24	26 958,934.83	27 036 478 62
1949–53	2½	44,596 498.87	44 925 161.81	44 587 831 95
1948	2½	11 271,778.00	11 308 884 92	11,143 051 21
1958–63	2¾	25,112,753 48	25,270 465 74	25 370 335 21
1950–52	2½	29,642,233 11	29 613 188 97	29,695 728.94
1960–65	2¾	40 564 493 70	41,134 889 21	40 917 530 20
1947	2	13 856,983 00	14,126,626.00	(2)
1948–50 (dated Dec. 8, 1939)	2	11 173,656 86	11 637,529 55	11,311 739 12
1948–50 (dated Mar 15, 1941)	2	22,306 117 00	22,284 788.00	(2)
1949–51 (dated Jan 15 1942)	2	20 180 800 95	20,278 971 03	20 268 435 18
1949–51 (dated May 15, 1942)	2	25,843 578 18	25 834,093 70	25,875 390 57
1949–51 (dated July 15 1942)	2	42,000,892.25	41 742 983 18	42,060 028 22
1952–54 (dated June 26, 1944)	2	115 784 847 19	116,731,937 47	116 822 705.56
1951–55	2	10,182 663 00	10,291 307 00	10,160 858 00
1951–53	2¼	24,752 708.95	25,484 811 02	25,106 005.02
1954–56	2¼	15 127 850 06	15 455 047 07	15 170 708.60
1951–53	2	159,275,840 00	159,573 020 00	159,685 940 00
1053–55	2	14 313 115 80	14 622 428.77	14 436,006 64
1952–54	2½	25 579 762.74	25 454 913 05	25,607 470 24
1956–58	2½	86,202,410 65	86,215 336 04	86 204 676 59
1956–59	2¼	85,880 124 80	85 710,217 15	86 002,209 88
1959–62 (dated June 1 1945)	2¼	113 609 411 17	118,823,863 18	110 875 439 05
1959–62 (dated Nov 15, 1945)	2¼	34,180,126 94	78,314 870 27	79 279 812.26
1967–72 (dated Oct 20, 1941)	2½	67 865 811 92	67 872,192 42	67 878,814 25
1963–68	2½	70 216,665.58	70,900,714 42	70 894,390 20
1967–72 (dated June 1, 1945)	2½	193 837 370 14	198,284,992.75	200,046 947 43

Footnotes at end of table

TABLE 42.—*Interest paid on the public debt, by issues, fiscal years 1946–48* [1]—Con

Issues	Rate of interest	1946	1947	1948
Debt unmatured as of June 30 in the respective years—Continued				
Treasury bonds—Continued	*Percent*			
1967–72 (dated Nov 15, 1945)	2½	$129 525 896.47	$294 758 915 40	$202,188 058 71
1964–69 (dated Apr 15 1943)	2½	93,301 904 18	94 134 987 08	94 499 091 74
1964–69 (dated Sept 15, 1943)	2½	95 050 584 24	96 388 819 90	96 256,120 78
1966–71	2½	85 640 312.11	86,491 495.80	86,707 339 01
1952–55	2¼	83 451 792 77	33 882,597 18	33 768 044 40
1962–67	2½	52,649 513 43	53 122,015 02	52 885 628.75
1950–52 (dated Oct 19 1942)	2	39 202 113 12	39 294 646 45	39 215,115.30
1952–54 (dated Dec 1 1944)	2	172,361 089 72	173 363 650 19	173 711 238 97
1965–70	2½	128 634 879 08	129 255 591 76	129 718 281.17
1950–52 (dated Apr 15, 1943)	2	98 684 085 61	98,707 672.97	98 726,325 46
1948	1¾	53 203 406 75	53 730 901 23	(2)
1950	1½	37 472,240 81	30 420 701 02	89 488,019 35
United States savings bonds				
Series B–1936	[4]2.9	13 653 638 50	(2)	(2)
Series C–1937	[4]2.9	18 067 930 00	7 273 149 50	(2)
Series C–1938	[4]2.9	19,642 355 00	21,592 974 25	9 626 829 25
Series D–1939	[4]2.9	18 580,532.25	31 788 679 00	35 150 561 25
Series D–1940	[4]2.9	23 434 124 75	22 623 008 75	40 351 030 50
Series D–1941	[4]2.9	10 080 614 50	10 266 169 75	9 075 892 50
Series E–1941	[4]2.9	80 023,669 64	28 052 912 49	42 380 813 50
Series F–1941	[4]2.53	5 410 772 82	6 165 263 29	6 499 445 89
Series E–1942	[4]2.9	125,936 394 52	111 282 248 48	103,179 576 68
Series F–1942	[4]2.53	11,109,021 86	14 326 081 98	16 094 102 34
Series E–1943	[4]2.9	123 493 084 89	171,849 884 90	155 269 854 48
Series F–1943	[4]2.53	3 981 900 42	11 917 195 88	15 190 301 96
Series E–1944	[4]2.9	124 337 209 15	128 246 609 61	183 084 253 61
Series F–1944	[4]2.53	6 257 444 02	9 564 585 70	13 040 515 57
Series E–1945	[4]2.9	30 034 988 38	85 207 546 33	96 208 720 99
Series F–1945	[4]2.53	1 005,627 05	4 733 085 92	7 305 541 85
Series E–1946	[4]2.9		11 670 462 43	41 128 940 70
Series F–1946	[4]2.53		404 302 35	2 532 438 25
Series E–1947	[4]2.9			11 861 191 70
Series F–1947	[4]2.53			541 895 65
Series G–1941 through 1948	[4]2.5	258 619,966 34	309 443 055 84	345 420 025 42
Armed forces leave bonds	2.5		1 542 572 03	66 047 199 74
Depositary bonds	2	9 340 542 73	7 440 813 96	6,387 270 56
Treasury bonds investment series Series A–1965	2½			11 968 967 45
Treasury notes, public issues	Various	280 718 607 21	130 118,105 41	69 896 597 10
Treasury notes special issues				
Federal old age and survivors insurance trust fund	1⅜	25 500,000 00	20 793 750 00	(2)
Federal old age and survivors insurance trust fund	2	9 180,000 00	(2)	(2)
Federal old age and survivors insurance trust fund	2⅛	5 100 000 00	(2)	(2)
Federal old age and survivors insurance trust fund	2¼	10 134 000 00	(2)	
Railroad retirement account	3	19 881,328 77	24 131,178 11	36 922 218 08
Civil service retirement fund	4	76 975 715 06	80 348 778 84	87 509 503 57
Civil service retirement fund	3	83 863 48	127 619 01	180 832 80
Foreign service retirement fund	4	292,098 96	322 684 82	400 104 59
Foreign service retirement fund	3	915 45	1 830 40	3 535 33
Canal Zone retirement fund	4	816 431 01	422,151 01	456 431 37
Canal Zone retirement fund	3	2 673 78	3 185 75	5 241 04
Alaska Railroad retirement fund	4	76 109 92	81 170 22	99 933 66
Postal Savings System [3]	2	5 886 467 40	14,409,263 13	31 207,648 47
Government life insurance fund	2	48,000 00	(2)	(2)
Federal home loan banks	1½			32 431 82
Federal Savings and Loan Insurance Corporation	2	392 023 24	866,019 85	1,270 070 04
National service life insurance fund	3	123 793 399 87	161,408,630 10	174 590 615 54
Federal Deposit Insurance Corporation	2	1 716,022 62	3 963 876 20	9 099 508 24
Mutual mortgage insurance fund	2	-	63 233 69	38 257 29
War housing insurance fund	2	-	92 408.77	(2)
Certificates of indebtedness public issues	1⅛			[5]1 962 757 65
Certificates of indebtedness, public issues	⅞	72 702,631 04	18,038 729 76	(2)
Certificates of indebtedness, special issue adjusted service certificate fund	4	(2)	8,923 29	1,672.13
Treasury bills [6]		16,165,470 25	14,979 827 02	34,684,829 18

Footnotes at end of table

TABLE 42.—*Interest paid on the public debt, by issues, fiscal years 1946–48* [1]—Con

Issues	Rate of interest	1946	1947	1948
Debt matured as of June 30 in the respective years				
Old debt matured, issued prior to April 1, 1917	*Percent* Various	$52 25	$36.58	$1,160 35
Consols of 1930	2	139 75	25.00	-
Conversion bonds of 1946–47	3	(7)	207 878.25	
First Liberty loan bonds	3½	7,429 60	8 751 00	11 793 98
First Liberty loan bonds (converted)	3½	5 98	-	
First Liberty loan bonds (converted)	4	1 509 17	984 51	1 389 99
First Liberty loan bonds (converted)	4¼	5 340 52	5 958.52	7 608.05
First Liberty loan bonds (second converted)	4¼	[8] 2.13	2 13	
Second Liberty loan bonds	4	2,167 88	2,478 25	2,226 75
Second Liberty loan bonds (converted)	4¼	2,401 57	4,145 90	3,012.67
Third Liberty loan bonds	4¼	9 550 68	8 080 51	6 221 91
Fourth Liberty loan bonds	4¼	53 390 86	52 304 58	42 525 33
Victory notes	3¾ and 4¾	1,226 06	1,425 63	1 296 95
War savings certificates		27 380 00	31,450 00	20,560 00
Treasury savings certificates		300 00	100 00	
Treasury bills [6]		48 470,062.91	48 464 168 98	97,451 482.77
Treasury bonds				
1940–43	3⅜	7 060 71	6 458.04	8 925 17
1941	3¼	3,140 21	1 626 40	1,687 37
1941–43	3⅜	3 230.68	7 019 25	3,738.71
1943–45	3¼ and 4¼	132,178.02	84 984 74	48,660 55
1943–47	3⅜	47 244 96	22 547 61	86 991 52
1944–54	4	260 104 10	95 547 90	210 734 00
1944–46	3¼	253 203 28	162 958 94	82 458 13
1945	2½	6 924 880 63	18 118 76	6 090 00
1945–47	2¾	17 111 206 41	156 694 75	103 578 16
1946–48	3	31 007 782.50	800 913 75	55 431 75
1946–49	3⅛	25,502,887 78	1 858 261 72	144 123 33
1946–56	3¾	18 598 831 78	190 513 69	46 863 37
1947	2	-		7 192,004 50
1947–52	4¼			17 264,119 50
1948	1¾		-	53 871 713 82
1948–50 (dated Mar 15 1941)	2			22 328 112 50
1948–51	2¾		-	33,671 106 56
United States savings bonds				
Series A–1935	[4] 2 9	1 936,649 50	[8] 50	-
Series B–1936	[4] 2 9	(7)	3 610 820 25	29 00
Series C–1937	[4] 2 9	(7)	10 292,451 00	3 543 395 50
Series C–1938	[4] 2 9		-	11 394 587 25
Adjusted service bonds of 1945	3	20 662 780 50	2,257 274 74	1,094 850 00
Adjusted service bonds of 1946 (Govt life insurance fund)	4½	22,507,108 04	-	
Armed forces leave bonds				
Series 1943	2½			463 180 08
Treasury notes public issues	Various	87 849 707 00	131,970 495 49	80 137 192.90
Treasury notes, special issues				
Federal old-age and survivors insurance trust fund	2¼	5 130 000 00	10 184 000 00	-
Federal old age and survivors insurance trust fund	2½	7 980 000 00	-	
Federal old-age and survivors insurance trust fund	2⅜	14 321 250 00		-
Federal old age and survivors insurance trust fund	2⅛		5 100 000.00	
Federal old-age and survivors insurance trust fund	2	-	9 180 000 00	-
Federal old-age and survivors insurance trust fund	1⅞		4 700 250 00	20 664 651 64
Civil service retirement fund	4	7 358 191 79	13,902 684 93	19 418 879 77
Civil service retirement fund	3	12 450 00	[8] 15 006 58	8 429 34
National service life insurance fund	3	1 063 200 00	9 404 550 00	24 621 000 00
Foreign service retirement fund	4	50 084 39	52,190 91	50 403 60
Canal Zone retirement fund	4	130 554 52	50 580 29	56 878 70
Alaska Railroad retirement fund	4	12 344 11	20,806 30	15 550 05
Canal Zone retirement fund	3		[8] 529 64	-
Federal Deposit Insurance Corporation	2	[8] 171 368 13	-	[8] 1 093 000 10
Postal Savings System [9]	2	30 000 00	87 500 00	3,072,989 12
Government life insurance fund	2		[8] 25 380 82	-

Footnotes at end of table

TABLE 42 —*Interest paid on the public debt, by issues, fiscal years 1946–48* [1]—Con

Issues	Rate of interest	1946	1947	1948
Debt matured as of June 30 in the respective years—Continued				
Treasury notes special issues—Con				
Federal Savings and Loan Insurance Corporation	*Percent* 2		$175 860 00	$624 000 00
Railroad retirement account	3		[8] 50,095 89	[8] 1 953 278 70
Housing insurance fund	2			[8] 22 282 01
Mutual mortgage insurance fund	2			[8] 295 651 45
War housing insurance fund	2			[8] 164 485 19
Certificates of indebtedness public issues at various interest rates		$241 707,453 92	228 927,635 60	203 591 814 52
Certificates of indebtedness special issues				
Adjusted service certificate fund	4	558 801 36	499 539 73	404 531 50
Federal old age and survivors insurance trust fund	1⅞	84,190,175 45	63 640 862 77	
Federal old age and survivors insurance trust fund	2		8 052 357 08	123 324 999 99
Federal old-age and survivors insurance trust fund	2⅛			800 490 30
Government life insurance fund	3½	4 317 387 13	39 720 263 01	43,792 219 94
Unemployment trust fund	1⅞	127 024,914 33	123 441 443 88	
Unemployment trust fund	2		5 090 36[illegible] 28	143 016 362 29
Unemployment trust fund	2⅛			3 424 934 23
Total		4 747 492 070 77	4 058 026 896 50	5 187,849 707 61

[1] For details for the fiscal years 1918 to 1929, see annual report for 1929, p 503 and for later years similar tables in subsequent reports
[2] See same series under the caption "Debt matured as of June 30 in the respective years"
[3] Deduct, excess of credits collection of interest accruals and counter warrants adjustments
[4] Approximate yield if held to maturity
[5] Includes interest on Canal Zone Postal Savings System Treasury notes
[6] Sold on a discount basis
[7] See same series under Debt unmatured as of June 30 in the respective years"
[8] Notes redeemed prior to maturity date

TABLE 43 —*Interest paid on the public debt and guaranteed obligations, classified by tax status, fiscal years 1913–48*

[On basis of Public Debt accounts, see p 393]

Fiscal year	Total	Tax exempt			Taxable	Special issues to Government agencies and trust funds
		Total	Wholly	Partially		
	Grand total (1913–33 all issued by U S Government)					
1913	$22 899 108 98	$22 899 198 08	$22,899 198 08			
1914	22 863 956 70	22 863 956 70	22 803 956 70			
1915	22 002 897 94	22 902 897 04	22 902 897 04			
1916	22 900 313 03	22 909 313 03	22 900 313 03			
1917	24 742 120 42	24 742 129 42	24 742 120 42			
1018	107,520 698 36	197 526 608 36	144 428 106 25	$53 098 502.11		
1919	616 807 337 32	015 867 337 32	72 399 358 41	543,467 978 01		
1920	1 924 024 440 02	1 024 024 440 02	71 378 560 78	952 045 879 24		
1921	990 676 803 75	996 676 803 75	84 817 537 26	911 859 266 40		
1922	989 485 409 93	980 485,409 93	71 901 288 44	917 524 121 49		
1923	1 055 088 489 44	1,055 088 486 44	70 517 091 98	984 571 394 40		
1924	938 740 771 79	938 740 771 79	70 422 193 17	868 318 578.62		
1925	882 014 050 03	881 957 306 10	60 056 550 99	812 900 755 20		$57 643 84
1926	831 409,206 12	827 649 874.62	65 142 335 84	762 507 538 78		3 819 331 50
1927	787,793 704.08	770 456 766 83	64 824 104 30	714 632 662 47		8 336 997 25
1928	781 850 073 89	717 443 778 31	66 097 950 19	651 345 828 21		14 406 295 58
1929	678,980 351 20	662 906 510 45	95 129 844 68	597 776 605 77		16 073 840 75
1930	658 602 154 96	629 632 481 69	67 707 721 14	561 864 760 55		28 969 673 27
1931	919 758 025 42	570 913 183 70	103 241 002 57	460 771 581 22		40 744 841 63
1932	599 722 595 24	588 948 616 31	116 232,545 69	472 716 070 62		10 773 078 93
1933	680,243 011 82	974 708 349 31	202 013 327 75	472 695 021 56		14 534 062 51
1934	759 559 326 33	74[illegible] 203 326 28	248 717 774.86	490 485 551 42		14 356 000 05
1935	013 0[illegible]2 928 92	895 834 904 03	292 745 100 40	603 089 504 47		17 217 423 99
1936	867 367 943 91	842 027 963 73	202 340 559 32	579 687 494 41		25 339 980 18
1937	985 411 586 18	930 909 876 16	230 014 792 17	097 880 083 90		48 519 710 02
1938	1 041 100 048 36	967 300 236 77	219 374 331 75	750 925 905 02		73 808 811 59
1939	1 955 800 779 72	954 398,028 19	147 000 279 74	807 398 348 45		101 408 151 53
1940	1 151 479 949 80	1 019 628 712 60	104 224 687 29	915 304 025 43		131 947 337 11
1941	1 221 007 348 64	1 060 941 089 18	79 202 618 97	981 738 470 21	$486 589 99	159 639 660 47
1942	1 385 679 031 26	1 920 162 592 81	57 982 739 04	903 079 853 27	166 999 450 57	199 437 988 38
1943	1 895 023 925 26	962 243 379 01	38 251 977 33	923 992 292 68	691 496 361 47	241 284 193 78
1944	2,687 999 788 14	917 838,920 77	27,163 927 79	890 674 092 98	1 492,003 589 38	308 158 177 99
1945	3,639 978,901 83	793 444 710 89	45 319 088.92	748 128 621 44	2 441 147 272 38	495 389 919 09
1946	4 749 114,601 72	713 514 771 40	26 916 572 91	687 498 198 85	3 530 762 951 95	504 836 878 31
1947	4 959 021 737 61	602 570 192 44	6 905 292 01	595 004 909 43	3 755 133 408 62	691 918 139 45
1948	5 188 909 722 42	575 848 464 95	5 570,743 21	579 271 721 74	3 884 911 079 79	728,149 577 08
	Issued by U S Government					
1913–33	See grand total above.					
1934	$757 210 099 83	$742 854,099 28	$248 717 774 86	$494 139 324 42		$14,356 000 95
1935	821 486 422 26	804 268 998 27	292 745 109 49	511 523 897 81		17 217 423 99
1936	747 806 613 54	722,550 933 39	262 340 559 32	469 219 074 04		25,389 980 18
1937	866,798 592 94	818 287 982 02	239 014 792 17	579 273 199 75		48 510 719 02
1938	926 247 272 42	852,488,460 83	216 374,331 75	636 064,129 08	-	73 808,811 59
1939	940 958 138 78	839 549 987 25	147 000 279 74	692,549,707 51	-	101,408 151 53
1940	1 041 448 261 64	909 690 924.53	104,224 687 26	895 379 237 27		131 847 837 11
1941	1 119 205 219 13	950 078 959 67	79 202 618 97	870 876 349 70	$486 589 99	159 639 660 47
1942	1 260 105 096 85	907 203 233 24	57 082 739 04	850 120 494.20	153 463 875 23	199 437 988.38
1943	1 813 008,499 73	895 628 602.65	38,251 077 33	857 377 525 32	676,095 709 39	241 284 193 78
1944	2 619 117 272.01	852 166,670 82	27 163 927 79	825 002,749 03	1,449,792 417 29	308 158 177 99
1945	3 521 047 584 87	780 244 886 27	45 316 088 92	734 928,797 35	2,436 316,679 51	495 386 019 99
1946	4,747 492 976 77	711 892 937 27	26 016 572 61	685 876 394 66	3 530 762 261 19	504 880 878 31
1947	4 958 026 890 50	690 975 463 98	6 965 292 01	594 019 171 97	3 755 133,290 97	691 918,136 45
1948	5 187,840 797 61	574 788 491 39	5 579,743 21	569 211 748.18	3 884 911 638 54	728 149,577 68
	Issued by Federal instrumentalities Guaranteed issues [1]					
1934	$2,349 227 00	$2,849 227 00		$2 349 227 00		
1935	91 565 606.66	91 565 006 00	-	91 505 606 66	-	
1936	119 471 339 37	119 471 330 37		110 471 330 37		
1937	118 012 893 24	118 612,893 24		118 612 893 24	-	
1938	114 861 775 04	114,861 776 94		114,891 775 94	-	
1939	114 848 640 94	114 848 640 94		114,848 640 94		-
1940	199 927 788 16	100 927 788 16		199 927,788 16	- - -	
1941	110 862 129 51	110 862 129 51		119 862,129 51		-
1942	125 564 934.41	112 959 359 07		112 959 359 07	$12,005 575 84	
1943	82 015 428 53	66 614,707 36	-	66 014 767 36	15 400 661 17	
1944	77,882 516 13	65 671 348 95	-	65 671,343 95	12 211 172.18	
1945	18,030 416 90	13 199 824 09		13 199 824 09	4,830,592 87	-
1946	1 622 524 95	1,621 834.19		1 621 834.19	690 76	
1947	1 594 841 01	1 594,728 46		1 594 728 46	112 55	-
1948	1,060,014 81	1 059,973 56	-	1,059 973 56	41 25	--

NOTE —Amount of interest paid includes increase in redemption value of United States savings bonds during year and discount on unmatured issues of Treasury bills Interest paid on guaranteed issues does not include amounts paid on demand obligations of Commodity Credit Corporation

[1] Interest paid began with the fiscal year 1934

Prices and yields of securities

TABLE 44.—*Average yield of long-term Treasury bonds, by months, January 1930–June 1948* [1]

[Averages of daily figures. Percent per annum]

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average
	PARTIALLY TAX EXEMPT BONDS [2]												
1930	3.43	3.41	3.29	3.37	3.31	3.25	3.25	3.26	3.24	3.21	3.19	3.22	3.29
1931	3.20	3.30	3.27	3.20	3.16	3.13	3.15	3.18	3.25	3.63	3.63	3.93	3.34
1932	4.26	4.11	3.92	3.68	3.76	3.76	3.58	3.45	3.42	3.43	3.45	3.35	3.68
1933	3.22	3.31	3.42	3.42	3.80	3.21	3.20	3.21	3.19	3.22	3.46	3.53	3.31
1934	3.50	3.32	3.20	3.11	3.02	2.98	2.92	3.03	3.20	3.10	3.07	3.01	3.12
1935	2.88	2.70	2.77	2.74	2.72	2.72	2.60	2.76	2.85	2.85	2.83	2.84	2.79
1936	2.81	2.78	2.73	2.70	2.68	2.69	2.68	2.64	2.65	2.68	2.60	2.59	2.69
1937	2.56	2.54	2.66	2.83	2.80	2.81	2.78	2.78	2.82	2.82	2.78	2.73	2.74
1938	2.69	2.68	2.67	2.66	2.56	2.58	2.58	2.57	2.63	2.55	2.56	2.56	2.61
1939	2.54	2.51	2.43	2.38	2.27	2.22	2.23	2.27	2.57	2.60	2.46	2.35	2.41
1940	2.30	2.32	2.26	2.26	2.39	2.40	2.30	2.31	2.25	2.21	2.09	2.01	2.20
1941	2.12	2.22	2.12	2.07	2.04	2.01	1.98	2.01	2.02	1.98	1.95	2.06	2.05
1942	2.10	2.17	2.10	2.07	2.00	2.04	2.04	2.06	2.08	2.00	2.10	2.13	2.09
1943	2.11	2.11	2.12	2.05	1.96	1.91	1.91	1.92	1.90	1.90	1.94	1.95	1.98
1944	1.95	1.93	1.91	1.94	1.94	1.91	1.80	1.90	1.93	1.93	1.90	1.87	1.92
1945	1.81	1.75	1.70	1.68	1.68	1.63	1.03	1.68	1.68	1.62	1.50	[2] 1.51	[2] 1.66
	TAXABLE BONDS [3]												
1941										2.34	2.34	2.47	
1942	2.48	2.48	2.46	2.44	2.45	2.43	2.40	2.47	2.40	2.45	2.47	2.49	2.46
1943	2.46	2.40	2.48	2.48	2.46	2.45	2.45	2.40	2.48	2.48	2.48	2.40	2.47
1944	2.40	2.40	2.48	2.48	2.49	2.49	2.40	2.48	2.47	2.48	2.48	2.48	2.48
1945	2.44	2.38	2.40	2.39	2.39	2.35	2.34	2.36	2.37	2.35	2.33	2.33	2.37
1946	2.21	2.12	2.09	2.08	2.19	2.16	2.18	2.23	2.28	2.26	2.25	2.24	2.19
1947	2.21	2.21	2.19	2.19	2.19	2.22	2.25	2.24	2.24	2.27	2.30	2.30	2.25
1948	2.45	2.45	2.44	2.44	2.42	2.41							-

[1] For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date, while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Prior to Sept. 1941, yields were computed on the basis of the day's closing price on the New York Stock Exchange except that on days when an issue did not sell the yield was computed on the mean of closing bid and ask quotations on the Stock Exchange. Commencing Sept. 1941 yields are computed on the basis of the mean of closing bid and ask quotations in the over the counter market. For average yields by months from January 1919 through December 1929, see p. 662 of the annual report for 1943.

[2] From July 17, 1928, through Nov. 29, 1935, yields are based on all outstanding partially tax exempt Treasury bonds neither due nor callable for 12 years; from Nov. 30, 1935 through Dec. 14, 1945 yields are based on all outstanding partially tax exempt Treasury bonds neither due nor callable for 15 years. This index was discontinued as of Dec. 15, 1945 because there were no longer any bonds of this classification due or callable in 15 or more years.

[3] Average of all taxable Treasury bonds neither due nor callable for 15 years. Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

TABLE 45.—*Prices and yields of marketable public debt issues, June 30, 1947 and 1948, and price ranges since first traded* [1]

[Price decimals are thirty seconds]

Issue	June 30 1947				June 30 1948				Price range since first traded			
	Price		Yield to—		Price		Yield to—		High		Low	
	Bid	Ask	Call	Maturity	Bid	Ask	Call	Maturity	Price	Date	Price	Date
Treasury bonds			*Percent*	*Percent*			*Percent*	*Percent*				
4¼% Oct. 15 1947–52 [2]	101 00	101 02	0 68									
2%, Dec 15 1947	100 17	100 19	76									
2% Mar 15, 1948–50 [3]	100 23	100 25	93	1 72								
2¾%, Mar 15 1948–51 [3]	101 11	101 13	79	2.36								
1¾%, June 15 1948	100 23	100 25	96									
2½%, Sept 15, 1948	102.01	102.03	78	--	100 10	100 12	0 83		111 01	Dec. 12, 1940	100 11	June 30 1948
2%, Dec 15 1948–50	101.21	101.23	83	1 50	100 16	100 18	83	1.78	107 00	do	100 17	Do
2%, June 15 1949–51	101 23	101 25	1 09	1 54	100 25	100 27	1 14	1.72	103 22	Mar 7 1946	100 06	Aug 5 1942
2%, Sept 15 1949–51	101 27	101 29	1 14	1 54	100 30	101 00	1 19	1 69	103 28	Mar 2, 1946	100 04	Oct 6 1942
2%, Dec 15 1949–51	101 31	102.01	1 17	1 53	101 03	101 05	1 22	1 66	104 00	do	100 03	Aug 5, 1942
3⅛%, Dec 15 1949–52	105 09	105.11	93	2.09	103 03	103 06	96	2.38	115 04	Dec. 12, 1940	101 07	Dec. 15 1934
2½%, Dec 15 1949–53	103 24	103 26	94	1 88	102 04	102.07	99	2.08	108 28	Dec. 10 1940	96 19	Apr 8 1937
2% Mar 15 1950–52	102.02	102.04	1 21	1 54	101 04	101 06	1 31	1 68	104 01	Mar 11 1946	100 01	Nov 2, 1942
2½%, Sept 15 1950–52	104.25	104.27	97	1 53	103 04	103 07	1 04	1 72	108 30	Dec 10, 1940	99 15	Sept 25 1939
2%, Sept. 15 1950–52	102.09	102.11	1 26	1 54	101 08	101 10	1.41	1 68	104 07	Mar 11, 1946	100 08	May 3 1943
1½%, Dec 15 1950	100 30	101 00	1 21	-	100 09	100 11	1 37		102.15	do	100.06	Dec 24 1947
2¾%, June 15 1951–54	106 17	106 19	1 05	1 74	104 21	104 24	1 13	1 91	110.26	Nov 12, 1941	98.16	Apr 1 1937
2%, Sept 15, 1951–53	102.18	102.20	1 36	1 56	101 18	101 20	1 49	1 68	104.18	Mar 11, 1946	100 03	Nov 8, 1943
3% Sept 15 1951–55	107 30	108 00	1 06	1 94	105 23	105 26	1 16	2 13	113 24	Dec 30 1940	82.08	Jan. 11, 1932
2¼%, Dec. 15 1951–53	105 04	105 06	1 06	1 41	103 20	103 23	1 16	1 55	108 01	Mar 10 1945	101 08	May 24, 1940
2%, Dec 15, 1951–55	102.23	102.25	1 36	1 65	101 19	101 21	1.52	1.77	104.26	Mar 11 1946	100 01	Dec. 5 1942
2½%, Mar 15, 1952–54	104.28	104.30	1 42	1 72	103.09	103 11	1 58	1 89	107 14	do	101 04	Mar 20 1941
2% June 15 1952–54	102.26	102.28	1.40	1 57	101 19	101 21	1 57	1 71	104 27	Feb 18 1946	100 08	July 24, 1944
2¼% June 15 1952–55	103.28	103 30	1 43	1 72	102 14	102.16	1 60	1 87	106 08	Feb 9 1946	100 16	Feb 18, 1942
2% Dec 15, 1952–54	102.29	102.31	1 44	1 58	101 20	101 22	1 61	1.73	105 00	Mar 11 1946	100 09	Dec 19 1944
2%, June 15 1953–55	105 02	105 04	1 11	1 32	103 15	103 19	1 26	1 46	107 25	Jan. 12 1946	101 19	Feb 15 1941
2¼% June 15 1954–56	107 01	107 03	1 19	1 41	105 02	105 06	1 35	1 56	109 29	Mar 12, 1946	102.02	July 24, 1940
2⅞%, Mar 15 1955–60	111 14	111 16	1 31	1.86	108 16	108 20	1 53	2.05	116 02	Jan 12, 1946	98 30	Sept. 20 1935
2½% Mar 15 1956–58	106 24	106.26	1 66	1 80	103 24	103 26	1 97	2.07	110 22	Feb 8, 1946	101 30	Dec. 26 1941
2¾%, Sept 15, 1956–59	112.03	112.05	1 35	1 65	109 04	109 08	1.55	1 84	116 13	Jan 26, 1946	98.10	Apr 1 1937
2¼% Sept 15 1956–59	105 00	105 02	1 65	1 79	102.04	102.06	1 96	2 03	107 16	Apr 6 1946	100 01	Feb 29 1944
2¾%, June 15, 1958–63	113 00	113 02	1 46	1 81	109.17	109 21	1 70	2 00	117 04	Jan. 15 1946	99 15	Sept 25, 1939
2¼%, June 15 1959–62	102 07	102.09	2.04	2.07	100 00	100.02	2 25	2.25	104.20	Apr 6 1946	100 01	June 30 1948
2¼%, Dec 15, 1959–62	102.07	102 09	2.04	2.08	100 00	100 02	2 25	2.25	104 21	do	100 01	Do
2¾%, Dec. 15, 1960–65	114 00	114.02	1 59	1.85	109 24	109 28	1 86	2.08	119 00	Jan 25, 1946	99 14	Sept 25 1939
2½% June 15 1962–67	104.23	104.25	2 13	2 20	101 15	101 17	2.37	2.40	108 12	Apr 6 1946	100 00	Aug 17, 1942

Footnotes at end of table

TABLE 45.—*Prices and yields of marketable public debt issues, June 30, 1947 and 1948, and price ranges since first traded* [1]—Continued

[Price decimals are thirty-seconds]

Issue	June 30, 1947 Price Bid	June 30, 1947 Price Ask	June 30, 1947 Yield to— Call	June 30, 1947 Yield to— Maturity	June 30, 1948 Price Bid	June 30, 1948 Price Ask	June 30, 1948 Yield to— Call	June 30, 1948 Yield to— Maturity	Price range since first traded High Price	High Date	Low Price	Low Date
			Percent	*Percent*			*Percent*	*Percent*				
Treasury bonds—Continued												
2½%, Dec. 15, 1963–68	104.07	104.09	2.19	2.25	101.03	101.05	2.41	2.43	108.03	Apr. 6, 1946	100.00	Feb. 17, 1944
2½%, June 15, 1964–69	103.26	103.28	2.23	2.28	100.26	100.28	2.44	2.45	107.25	do	100.00	Mar. 2, 1944
2½%, Dec. 15, 1964–69	103.24	103.26	2.24	2.28	100.25	100.27	2.44	2.45	107.24	do	100.00	Do
2½%, Mar. 15, 1965–70	103.23	103.25	2.24	2.29	100.24	100.26	2.44	2.45	107.23	do	100.00	Feb. 16, 1944
2½%, Mar. 15, 1966–71	103.22	103.24	2.26	2.30	100.19	100.21	2.46	2.46	107.22	do	100.06	Dec. 19, 1944
2½%, June 15, 1967–72	102.23	102.25	2.33	2.35	100.09	100.11	2.48	2.48	106.18	do	100.09	June 29, 1948
2½%, Sept. 15, 1967–72	105.14	105.16	2.16	2.22	101.26	101.28	2.38	2.40	109.18	do	100.01	Jan. 2, 1942
2½%, Dec. 15, 1967–72	102.23	102.25	2.33	2.36	100.09	100.11	2.48	2.48	106.16	do	100.09	June 29, 1948
Other bonds: [4]												
3% Panama Canal, June 1, 1961	125.24	126.28	.98		120.00	121.16	1.26		134.00	Sept. 5, 1944	75.00	June 18, 1921
Treasury notes: [5]												
1½% A, Sept. 15, 1947	0.83%	0.77%	.80									
1¼% C, Sept. 15, 1947	.83%	.77%	.80									
1½% A, Sept. 15, 1948 [6]	100.18+	100.19+	1.00		.99%	.96%	.98					
1% B, Oct. 1, 1948					.99%	.96%	.98					
1⅛% A, Jan. 1, 1949					1.04%	1.02%	1.03					
Certificates of indebtedness: [5]												
⅞% F, July 1, 1947	(7)	(7)										
⅞% G, Aug. 1, 1947	.74%	.68%	.71									
⅞% H, Sept. 1, 1947	.78%	.74%	.76									
⅞% J, Oct. 1, 1947	.83%	.81%	.82									
⅞% K, Nov. 1, 1947	.85%	.8?%	.84									
⅞% L, Dec. 1, 1947	.86%	.84%	.85									
⅞% A, Jan. 1, 1948	.86%	.84%	.85									
⅞% B, Feb. 1, 1948	.86%	.84%	.85									
⅞% C, Mar. 1, 1948	.86%	.84%	.85									
⅞% D, Apr. 1, 1948	.86%	.84%	.85									
⅞% E, June 1, 1948	.86%	.84%	.85									
⅞% F, July 1, 1948	[8] .86%	[8] .85%	[8] .86		(7)	(7)						
⅞% G, July 1, 1948					(7)	(7)						
⅞% H, July 1, 1948					(7)	(7)						
1% J, Oct. 1, 1948					.99%	.96%	.98					
1% K, Oct. 1, 1948					.99%	.96%	.98					
1⅛% A, Jan. 1, 1949					1.04%	1.02%	1.03					
1⅛% B, Feb. 1, 1949					1.06%	1.04%	1.05					

1⅛% C Mar 1, 1949	-	--	-	-	-	1.09%	1 07%	1 08	-	-	-	-
1⅛% D Apr 1 1949	-	- -	-			1 08%	1 06%	1 07	-		-	
1⅛% E, June 1, 1949	-		-			1 11%	1 09%	1 10	-			-
1⅛% F July 1, 1949 [9]	-		-		-	[9] 1 11%	[9] 1 09%	[9] 1 10				

[1] Prices on June 30, 1947 and 1948 are closing bid and ask quotations in over-the-counter market as compiled by Federal Reserve Bank of New York Prices in range columns are mean of closing bid and ask quotations in over the-counter market except that Treasury bond prices prior to Oct 1 1939 are closes on New York Stock Exchange "When issued" prices are included in price range beginning Oct 1 1939 Dates of highs and lows, in case of recurrence are latest dates. Yields are percent per annum For description and amount of each issue outstanding on June 30 1948 see table 20 For description and amount of each issue outstanding on June 30 1947 see table 20 p 335 in 1947 annual report Treasury bills are excluded.

[2] Called on June 13 1947 for redemption on Oct 15 1947

[3] Called on Nov 14, 1947 for redemption on Mar 15 1948

[4] No market quotations for postal savings bonds

[5] Quoted on yield basis range not shown for securities so quoted

[6] Quoted on price basis on June 30 1947

[7] Not quoted

[8] Quoted on "when issued" basis

[9] Quoted on "when issued" basis For description, see exhibit 2

CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

TABLE 46.—*Assets and liabilities of the Treasury, June 30, 1947 and 1948*

[On basis of daily Treasury statements, see p 893]

	June 30, 1947	June 30 1948	Increase, or decrease (—)
GOLD			
Assets Gold	$21 206 353,091 88	$23 532,458 806 18	$2 266 105 714 30
Liabilities			
Gold certificates [1]	2 863 266 350 00	2 860 639 049 00	—2 627 319 00
Gold certificate fund—Board of Governors, Federal Reserve System	16 513,733 546 94	18,826 727 721 98	2 312 994 175 04
Redemption fund—Federal Reserve notes	709 924 021 92	615 644 841 54	—94 270 180 38
Gold reserve [2]	156 039 430 03	156 039 430 93	
Gold in general fund	1 023 389 733 99	1 073 407 762 73	50 018 029 64
Total	21,266 853 001 88	23 532 458 800 18	2 266 105 714 30
SILVER			
Assets			
Silver bullion (monetary value)[3]	1 923 012 883 01	1 955 072,479 81	31 150 595 90
Silver dollars	341 961 650 00	334 598 786 00	—7 362 864 00
Total	2 265 874 533 91	2 289 671 265 81	23 796 731 00
Liabilities			
Silver certificates outstanding [1]	2 230 770 033 00	2,258,934 263 00	28 155 230 00
Treasury notes of 1890 outstanding [1]	1 135 278 00	1 146 166 00	10 888 00
Silver in general fund	33 969 222 91	29 590 836 81	—4 309 386 10
Total	2 265 874 533 91	2 289 071 265 81	23 796 781 00
GENERAL FUND			
Assets			
In Treasury offices			
Gold (as above)	1,623 389 733 00	1 673,467 762 73	50 618 029 64
Silver			
At monetary value (as above)	33 969 222 91	29 590 836 81	—4 369 386 10
Subsidiary coin	20 270,734 82	10 597 976 75	—6 672 758 67
Bullion			
At recoinage value	15 709 62	321,141 78	305 432.16
At cost value [3]	61 876 629 03	61,228 918 51	—647 710 52
Minor coin	10 929 480 43	7 326,164 93	—3 603 315 50
United States notes	3,041,321 00	3 671 993 00	630 672 00
Federal Reserve notes	70 912 805 00	45 857 460 00	—25 055 345 00
Federal Reserve Bank notes	522 602 00	1 449 600 00	926 998 00
National bank notes	266 615 00	504 110 00	237 495 00
Unclassified—collections, etc	61,098 196.67	30 072 297 40	—31 025 899 27
Subtotal	1 817 184 049 57	1,294 928 261 91	—22 255 787 66
Deposits in			
Federal Reserve Banks	1 202 306,369 19	2 050 509,513 80	848,203 144 61
Special depositaries withheld taxes and sales of Government securities	962 279,000 00	1 772,641,417 23	810 362 417 23
National and other bank depositaries	215 041 941 81	213,084 754 65	—1 957 187 16
Foreign depositaries	13,877,697 91	20 023 152 46	6 145 454 55
Philippine Treasury	10 915 073 02	19,017 262 43	2 189 41
Subtotal	2,412,520,081 93	4 075 276 100 57	1 662,756 018 64
Total assets, general fund	3 729,704,131 50	5 370,204 362 48	1 640 500,230 98
Liabilities			
Treasurer's checks outstanding	23,717,011 20	23,272 230 59	—444 780 61
Deposits of Government officers			
Post Office Department	39,818,108 50	83,947,351 62	44,129 243 12
Board of Trustees, Postal Savings System			
5 percent reserve, lawful money	170 000,000 00	166 000 000 00	—1,000 000 00
Other deposits	28 207,619 52	19,677 401 60	—8 530,217 02
Postmasters' disbursing accounts etc	139,871,042 85	140,328,690 94	957 648 09

Footnotes at end of table.

TABLE 46 —*Assets and liabilities of the Treasury, June 30, 1947 and 1948*—Continued

	June 30, 1947	June 30, 1948	Increase or decrease (—)
Liabilities—Continued			
Uncollected items, exchanges, etc	$20 453 420 07	$1 957 160 66	—$18 400 250 41
Total liabilities, general fund	421 567 202 14	438 182 885 41	16 615 683 27
Balance in general fund	3 308 136 929 36	4 932 021 477 07	1 623 884 547 71
Total general fund liabilities and balance	3,729 704 131 50	5 370 204 302 48	1 640 500 230 98

NOTE —Amount to credit of disbursing officers and certain agencies was $8,933 435 736 88 on June 30, 1947, and $8 400 058 574 14 on June 30, 1948

[1] Does not include amounts held in Treasury offices and by Federal Reserve Banks and agents in custody for Treasurer of the United States See table on p 97

[2] Reserve against United States notes ($346,681 016 in 1947 and 1948) and Treasury notes of 1890 outstanding ($1 135 278 in 1947 and $1,146,166 in 1948) Treasury notes of 1890 are also secured by silver dollars in Treasury

[3] 812,471 763 0 ounces and 728 333,459 9 ounces of these items of silver were held on June 30 1947 and June 30 1948 respectively by Office of Defense Plants of Reconstruction Finance Corporation etc

TABLE 47 —*Assets and liabilities of the exchange stabilization fund, June 30, 1947 and 1948*

Assets and liabilities	June 30, 1947		June 30 1948	
ASSETS				
Cash				
Treasurer of the United States, checking account	$6 451,071 34		$6 881 551 63	
Federal Reserve Bank of New York special account	19,380 452 06		11 556 338 78	
Disbursing officers' balances and advance accounts	34 263 59		31,067 04	
Total cash		$25 866 386 99		$18 469,857 45
Special accounts of Secretary of the Treasury in Federal Reserve Bank of New York				
Special account No 1 gold (Schedule 1)		161 418 753 87		208 433,875 21
Due from foreign banks (foreign exchange)				
Swiss francs	644 048 15		377 092 11	
Brazilian cruzeiros	80 000 000 00			
Indian rupees	20,970 319 84		19 688,618.84	
Mexican pesos			37 000 000 00	
All other	3 850 62			
Total due from foreign banks		101 618 218.61		57,066 610 95
Investments in United States Government securities (Schedule 2)		20,000 000 00		20 000 000 00
Accrued interest receivable (Schedule 2)		82 936 12		82,936 11
Accounts receivable				2 77
Other accounts (deferred charges)		15 00		15 00
Commodity sales contracts (deferred charges)		2,636 00		2 636 00
Total assets		308,988 946 59		304 055 033 49
LIABILITIES AND CAPITAL				
Accounts payable				
Vouchers payable	2 020 02		6,716 75	
Employees' payroll allotment account, United States savings bonds	2 738 09		1 527 13	
Miscellaneous	3,692,893 43		2,866,495 11	
Total accounts payable		3 698 551 54		2 874 738 99
Reserve for expenses and contingencies (net)		12 676 711.48		12,865,503 96
Reserve for handling charges on gold		43,896.91		
Capital account		200 000 000 00		200,000 000 00
Earnings less administrative expenses (Schedules 3 and 4)		92 569 786 66		88,315,890 54
Total liabilities and capital		308,988 946 59		304,055,033 49

TABLE 47.—*Assets and liabilities of the exchange stabilization fund, June 30, 1947 and 1948*—Continued

SCHEDULE 1

LOCATION OF GOLD HELD BY AND FOR ACCOUNT OF THE FUND[1]

	June 30 1047		June 30 1948	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of N Y	8 023 390 700	105 818 674 50	2 533 163 807	88 660 783 23
U S Assay Office New York	1 302 859 421	45 600 079 37	3 422 089 776	119 773 141 98
Total gold	4,326 250 121	151,418 753 87	5 955 253 583	208,433 875 21

[1] Excludes gold held by Treasurer of the United States

SCHEDULE 2

UNITED STATES GOVERNMENT SECURITIES HELD BY THE FUND

Issue	June 30 1948			
	Face value	Cost	Average price	Accrued interest
2¼% U S Treasury bonds of 1065-70	$10 000 000	$10 000 000	100 0000	$72 600 21
2½% U S Treasury bonds of 1067-72	10 000 000	10,000 000	100 0000	10 245 90
Total U S Government securities	20 000 000	20,000 000		82 936 11

SCHEDULE 3

EARNINGS OF THE FUND

Source	Jan 31 1934 through June 30, 1047	Jan 31 1934, through June 30 1948
Profits on British sterling transactions	$310 638 09	$310 638 09
Profits on French franc transactions	351 527 00	351 527 00
Profits on gold bullion (including profits from handling charges on gold)	32 924,354 77	37 810,470 37
Profits on other gold and exchange transactions	40 000 000 00	40 000 000 00
Profits on silver transactions	105 371 27	105 371 27
Profits on sale of silver bullion to Treasury	3 473 362 29	3 473 362 29
Profits on investments	1 876,790 55	1 876 790 55
Interest on investments	5,698 066 90	6 198 066 89
Miscellaneous profits	745 833 23	800 466 15
Interest earned on foreign balances	249 642 02	1,732 970 87
Interest earned on Chinese yuan	1,975 317 07	1 075 317 07
Total earnings	87,710 903 79	94 634 981 15

SCHEDULE 4

ADMINISTRATIVE EXPENSES OF THE FUND

Classification	Jan 31 1934, through June 30, 1047	Jan 31, 1934, through June 30 1948
Salaries	$3,483,130 52	$4 445 081 38
Travel	153 416 65	231,802 87
Subsistence	199 010 33	252 453 57
Telephone and telegraph	482 546 69	506 196 95
Stationery, etc	30 244 20	36 308 56
All other	792,768 74	847 857 78
Total administrative expenses	5,141,117 13	6 319,290 61

TABLE 48 —*Securities other than World War I obligations of foreign governments owned by the U S Government, June 30, 1948, and changes during 1948*

[On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury the statement is made up from reports received from other Government departments and establishments]

Security and issuing agent	Authorizing act	Amount owned June 30 1948	Net increase during 1948	Net decrease during 1948	Explanation of change
Capital stock of Government corporations					
Banks for cooperatives	June 16 1933, as amended	$178, 500 000 00			
Commodity Credit Corporation	do	100 000 000 00			
Defense Homes Corporation (in liquidation)	Jan 22, 1932 as amended	10 000 000 00			
Disaster Loan Corporation	Feb 11 1937 as amended	(1)			
Export-Import Bank of Washington	June 16 1933 as amended	1 000 000 000 00			
Federal Crop Insurance Corporation	Feb 16, 1938	100 000,000 00	$10,000 000.00		Subscription by Secretary of Treasury
Federal Deposit Insurance Corporation	June 16 1933 as amended	22, 604, 306 58		[2] $127 395, 693 42	Repayments of capital funds to miscellaneous receipts
Federal Farm Mortgage Corporation	Jan 31 1934 as amended	10 000 00		990 000 00	Repayments to revolving fund.
Federal home loan banks [3]	July 22, 1932, as amended	119 791 200.00		2, 881, 000 00	Repayments of capital funds to miscellaneous receipts
Federal intermediate credit banks	Mar 4, 1923 as amended	60 000 000 00			
Federal National Mortgage Association [4]	June 27 1934, as amended	10 000 000 00			
Federal Savings and Loan Insurance Corporation [5]	June 27 1934	[6] 100 000 000 00			
Home Owners Loan Corporation (in liquidation)	June 13 1933 as amended	200 000 000 00			
Inland Waterways Corporation	June 3, 1924, as amended	12,000 000 00			
Institute of Inter-American Transportation	July 25 1942	[6] 3 586 29		74, 890 34	Repayment of capital funds to miscellaneous receipts.
Panama Railroad Company	June 28, 1902	7 000 000 00			
Production credit corporations	June 16, 1933 as amended	81 635, 000 00		11 015, 000. 00	Repayment to revolving fund
Public Housing Administration	Sept 1 1937 as amended	1, 000, 000. 00			
Reconstruction Finance Corporation	Jan 22 1932 as amended	325, 000 000 00			
RFC Mortgage Company, The	Jan 31 1935			25, 000 000 00	Corporation dissolved—stock canceled by R F C
Regional Agricultural Credit Corporation of Washington D C	July 21 1932, as amended	100 000 00			
Smaller War Plants Corporation (in liquidation)	June 11 1942 as amended	54, 400 000 00		10 000, 000. 00	Repayment of capital funds to miscellaneous receipts
Tennessee Valley Associated Cooperatives Inc. (in liquidation)	May 12 1933	1,000 00			
U S Commercial Company	Jan 22 1932, as amended			5, 000 000 00	Corporation dissolved—stock to be canceled by R F C
Virgin Islands Company The	May 12, 1933	30 00			

Footnotes at end of table.

TABLE 48.—*Securities other than World War I obligations of foreign governments owned by the U S Government, June 30, 1948, and changes during 1948*—Continued

Security and issuing agent	Authorizing act	Amount owned June 30 1948	Net increase during 1948	Net decrease during 1948	Explanation of change
Capital stock of Government corporations—Continued.					
War Damage Corporation (in liquidation)[4]	Jan 22, 1932, as amended	$1 000 000 00			
Warrior River Terminal Company The.	June 3 1924, as amended		-	$1 250 000 00	Corporation dissolved—stock canceled by Inland Waterways Corporation
Total capital stock	-	2 383 045, 122 87	$10 000 000 00	183 606, 583. 76	
Net change in capital stock	—	—		173 606 583 76	
Paid in surplus of Government corporations					
Federal National Mortgage Association[4]	June 27, 1934 as amended	1 000 000 00			
Federal intermediate credit banks	Jan 31 1934	500 000 00	500 000 00	-	Subscription by Secretary of Treasury
Total paid in surplus[7]	- - - - -	1 500 000 00	500, 000. 00		
Bonds and notes of Government corporations and agencies					
Commodity Credit Corporation	Mar 8, 1938, as amended	440 000 000 00		70 000 000 00	Net repayments to U S Treasury
Export-Import Bank of Washington	July 31 1945	970 600 000 00	454, 400 000 00		Net borrowings from U S Treasury
Federal Farm Mortgage Corporation	Jan 31 1934, as amended			21 000 000 00	Repayment to U S Treasury
Home Owners' Loan Corporation	June 13, 1933, as amended	244 000 000 00		285, 000 000 00	Repayments to U S Treasury including cancellations of $128 154,108 91 See footnote 5
Public Housing Administration	Sept 1 1937 as amended	362, 000 000 00	15, 000 000 00		Net borrowings from U S Treasury including exchanges
Reconstruction Finance Corporation	Jan 22, 1932, as amended	--- -- -		[5] 9 966 140 850 39	Net repayments to U S Treasury including cancellations of $10,048 931 299 32.
Rural Electrification Administration	July 30 1947	718 074. 354. 98	[9] 718, 074, 354. 98		Net borrowings from U S Treasury
Tennessee Valley Authority	May 18, 1933 as amended	54 000 000 00	-	[10] 2 500 000 00	Repayment to Treasury
Virgin Islands Company, The	July 30 1947	250 000 00	250 000 00		Borrowings from U S Treasury
Total bonds and notes		2 788, 924, 354 98	1 187 724 354. 98	10 344 640 850 39	
Net change in bonds and notes			--	9 156 916 495 41	
Other securities					
Farm Credit Administration					
Loans from Agricultural Marketing Act revolving fund	June 15, 1929 as amended	75 514 136. 05	1 058, 539 97		Net loans made
Farmers' Home Administration.[11]					
Emergency crop and feed loans	July 1 1918 as supplemented Apr 8 1935 as supplemented Aug 14 1946, as supplemented	93, 819 576 14	-	12, 658 516 98	Net repayments and other reductions
Rural rehabilitation loans to farmers etc	(same as above)	443, 951 619 64		45 602, 807 47	Do

Federal Housing Administration					
Mortgage notes and contracts on sales of acquired real estate.	June 27 1934 as amended	23,064,650 93	---	3,405,192 55	Do
Stock in rental and war housing corporations	do	80 505 00	49 400 00		Net stock purchased
Title I defaulted notes	do	18 472,151 13	6 838,274.66		Net loans made
Public Housing Administration.					
Public war housing program	Sept 1 1937 as amended	6 750 482.42	4,066 416.70		Do
Farm Security Administration program	do	2,299 537 92		1 420,798 63	Net repayments and other reductions
Homes conversion program	do	19 155 93		5 831 33	Do
Federal Security Agency Student war loans	July 2 1942	1 720,884.28		298,198.33	Do
Federal Works Agency					
Loans to States municipalities rail roads and others	June 16 1933 as amended	84,889 000 00	14,203,000.00		Net loans made
Community facilities loans	Oct 14, 1940 as amended	3,558,878 86		1,399 552 52	Net repayments and other reductions
Interior Department					
Indian loans	Juno 18 1934 as amended	7 188,740 02	1 180 592 08		Net loans made
Department of the Navy					
Sale of surplus property (World War I)	July 9 1918 as amended	950 000.00		715,015 81	Repayments
Guaranteed loans (World War II)	June 11 1942 July 1 1944	952,500.55		688,922 05	Net repayments
Puerto Rico Reconstruction Administration					
Loans	Apr 8 1935 as supplemented	6 028 505.46	468 782 72		Net loans made
Certificates of Cafeteros de Puerto Rico	do	1 629 05		246 57	Net reduction
Rural Electrification Administration					
Advances to cooperatives, States and private utilities	do	[13] 136 306 748 48		493 358,756 99	Net loans made
Tennessee Valley Authority Counties and municipalities.	May 18 1933, as amended	2,137 331 78	1 889 746 07		Do
Treasury Department					
Counties and municipalities	July 1 1932 as amended	9 000 00		2 000 00	Repayments
Federal savings and loan associations	June 13, 1933 as amended	320,900 00		617 600 00	Do
Railroads	Feb 28, 1920, as amended	6 118,090 00		14,786,377 23	Net reduction
Securities received by Bureau of Internal Revenue in settlements of tax liabilities	Mar 3 1863, and opinion of General Counsel of the Treasury Department, Apr 16 1937	145,860 74	79 933 00		Net securities received
Advances to Federal Reserve Banks	June 19, 1934	27 546 310.97			
Subscriptions to International Bank for Reconstruction and Development and to International Monetary Fund	July 31 1945	3 385 000 000 00			
Credit to United Kingdom	July 15, 1946	3 750 000,000.00	1,700,000 000 00	---	To carry out agreement of Dec. 6 1945 with United Kingdom
U S Maritime Commission Ship construction and reconditioning loans ship sales notes etc	Sept 7, 1916 as amended	([13])		134 544,013 63	Net repayments and other reductions

Footnotes at end of table

TABLE 48.—*Securities other than World War I obligations of foreign governments owned by the U. S. Government, June 30, 1948, and changes during 1948*—Continued

Security and issuing agent	Authorizing act	Amount owned June 30, 1948	Net increase during 1948	Net decrease during 1948	Explanation of change
Other securities—Continued					
Department of the Army: Guaranteed loans (World War II)	June 11, 1942; July 1, 1944	$5 871 726 24		$964,809 62	Net repayments
Total, other securities		[14] 8,087 717 921 59	$1 729 834,685.20	710,468,639 71	
Net change in other securities			1 019 366 045.49		
Total, all securities		13 261 187 399 44	2,928,059 040.18	11 238,716,073 86	
Net change in all securities				8 310,657 033 68	
Less					
Face amount of above securities acquired by Government corporations from corporate funds or by exchange for corporate obligations					
Capital stock					
Inland Waterways Corporation				1 250 000 00	Stock canceled by Inland Waterways
Home Owners' Loan Corporation				100 000,000 00	Stock transferred to Treasury
Reconstruction Finance Corporation [4]		11 000,000 00		152 672 200 00	$122 672,200 capital stock of the Federal home loan banks transferred to Treasury $25 000 000 capital stock of RFC Mortgage Company canceled and $5,000 000 capital stock of U S Commercial Company to be canceled by R F C
Paid in surplus Reconstruction Finance Corporation [4]		1 000,000 00			
Other securities Reconstruction Finance Corporation				551 216,720 13	Comprises loans to Department of Agriculture by R F C Loans transferred to Treasury for which R F C notes were canceled by Treasury
Total face amount of securities owned by the United States		13 249 187 399 44	2,928,059 040 18	10 433 577 153 73	
Net change during year				7 505 518,113 55	

Amount due the United States from the Central Branch Union Pacific Railroad on account of bonds issued (Pacific Railroad Aid Bonds Acts approved July 1, 1862 July 2 1864 and May 7 1878)

Principal	$1 600 000 00
Interest	1 523,196 17
Total	3 123,196 17

[1] Corporation functions, assets, and liabilities have been transferred for liquidation to R F C and ownership of stock by Treasury consists of stock certificate of $24,000 000 indorsed for $18,243 104 96 representing payment by R F C Treasury has not canceled this stock certificate because there is no authority to do so

[2] In addition to these repayments there were also deposited in Treasury during 1948, funds amounting to $139 299 556 99 representing value of stock owned by Federal Reserve Banks which was retired by Corporation

[3] Capital stock of Federal home loan banks in amount of $122,672,200 was transferred by R F C to Treasury Treasury canceled R F C notes in like amount

[4] Reconstruction Finance Corporation funds

[5] Capital stock of Federal Savings and Loan Insurance Corporation was transferred by Home Owners Loan Corporation to Treasury in accordance with provisions of Government Corporations Appropriation Act 1949 Treasury canceled H O L C bonds to cover principal and dividends thereon.

[6] Net of return to Treasury of excess capital funds amounting to $21 523.37 in 1947 and $74 890 34 in 1948 Check for latter was dated June 29 1948, but not deposited in Treasury until July 8 1948.

[7] Exclusive of net payments from Treasury or transfer of assets authorized by law for which no formal receipts or other evidences of payment are held by Secretary of the Treasury in the following:

	Amount
Stock corporations	
Commodity Credit Corporation	$1, 946, 310 554. 14
Inland Waterways Corporation	12, 298, 188. 84
Public Housing Administration	114, 833, 900 25
Regional Agricultural Credit Corporation of Washington, D C	9 460, 000. 00
Tennessee Valley Associated Cooperatives, Inc	249 000 00
Warrior River Terminal Company, Inc. (merged with Inland Waterways Corporation)	- -
Nonstock corporations	
Federal Prison Industries, Inc	4, 849 507 35
Institute of Inter American Affairs	6 504 306. 10
Inter-American Educational Foundation, Inc (merged with Institute of Inter-American Affairs)	- - -
Prencinradio Inc.	32, 581. 46
Tennessee Valley Authority	41, 106, 707 91
Total	2, 135, 644, 746. 05

[8] Includes net cash borrowings of $82,790 448 93 from Treasury and cancellation of R. F C notes in the amount of $10 048,931 299 32 Cancellations consist of $551 216 720 36 under provisions of Public Law 266 (61 Stat 545 547) to cover transfer of Secretary of Agriculture s obligations to Treasury $122,672 200 under provisions of Public Law 132 (61 Stat 208) to cover transfer of capital stock of Federal home loan banks to Treasury $9 735 561 99 by authority of Public Law 268 (61 Stat 584) for transfer of title to buildings to the United States, and $9 365 306 817 20 by authority of Public Law 860 (62 Stat 1187) which authorized cancellation of R F C notes in amount of $9,313 736 531 plus interest accrued thereon subsequent to June 30 1947 The foregoing stated amount represents unrecovered costs to the Corporation as of June 30 1947 in its national defense war and reconversion activities

[9] Includes net borrowing directly from Treasury of $207 225 451 and Rural Electrification Administration notes amounting to $510 848,903 98 transferred to Treasury by R F C in accordance with provisions of Public Law 266 (61 Stat 547) Treasury canceled R F C notes in like amount. See footnote 8.

[10] This repayment was made under requirements of Public Law 268 July 30 1947 A repayment in like amount is required to be made not later than June 30 of each calendar year hereafter

[11] Created pursuant to Public Law 731, approved Aug 14, 1946 All assets and liabilities of Emergency Crop and Feed Loan Section of Farm Credit Administration and assets and liabilities of Farm Security Administration were transferred to this activity as of Oct 31 1946

[12] Excludes $718,074,354.98 shown under bonds and notes in preceding part of this table. This sum represents funds borrowed from Treasury which together with funds appropriated to Rural Electrification Administration are available for advances to cooperatives States and private utilities

[13] Latest reports available to Treasury on U S Maritime Commission functions, and on War Shipping Administration functions relating to lend lease and UNRRA activities, are as of March 31 1947 Latest available reports on remainder of War Shipping Administration functions are as of February 28, 1947 Data derived from these reports were last published in annual report of Secretary of the Treasury for 1947 Publication of current data on U S Maritime Commission will be resumed when available

[14] Reserves amounting to $369 100 693 56 have been established against these securities

TABLE 49.—*Principal of the funded and unfunded indebtedness of foreign governments to the United States arising from World War I, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15, 1948*

Country	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness: Indebtedness: Principal (net)	Funded indebtedness: Indebtedness: Accrued interest	Funded indebtedness: Payments on account: Principal	Funded indebtedness: Payments on account: Interest	Unfunded indebtedness: Indebtedness: Principal (net)	Unfunded indebtedness: Indebtedness: Accrued interest	Unfunded indebtedness: Payments on account[1]: Principal	Unfunded indebtedness: Payments on account[1]: Interest
Armenia	$29,185 066 94	--	-	-	-	-	$11 959 917 49	$17 225,149 45	-	-
Austria[2]	[3]26 024,539 59	$862 668 00	$25 980 480 66	$44 058 93	$862 668.00	-				
Belgium	528,027 077 60	52,191 273 24	400 680 000 00	127 847 077 60	17 100 000 00	$14 490 000 00			$2 057 630 37	$18,543 642 87
Cuba	-	12 286,751 58	--	-	-	-			10 000 000 00	2 286 751 58
Czechoslovakia	188,834,793 55	20 134,092 26	165 241 108 90	23 593,684 65	19 829 914 17	-		-		304 178 09
Estonia	[4]28 209 290 81	1 248,432.07	16,466 012 87	9 743 277 94		1 246 990 19				1 441 88
Finland	8,096 305.12	8,278,386 19	7 510 825 68	585,479 44	1 489 174.32	6,479 896.60	-			309 315.27
France	4,837 772,854 40	486 075,891 00	3,863 650 000 00	974 122 854.40	161 350 000 00	38,650 000 00		-	64 689 588 18	221 386 302 82
Great Britain	6 871 364 782 58	2,024,848 817 09	4,368 000 000 00	2,503,364 782.58	232 000 000 00	1 232,770 518 42		- -	202 181 641 56	357 896 657 11
Greece	38,181 055 10	4 127 056 01	31 516,000 00	6 665 055.10	981 000 00	1 983 980 00			2 922 67	1 159 153 34
Hungary	[4]2,940 048.56	556,919 76	1 908,560 00	1 031 488.56	73 995 50	482,171 22			--	753 04
Italy	2,067 158,659 34	100 829 880 16	2,004 900 000 00	62,258,659 34	37 100 000 00	5 766,708 26		-	364,319 28	57 598,852 62
Latvia	[4]10,832,634.04	761 549 07	6 879,464.20	3 953 169 84	9 200 00	621 520 12		--	- -	130 828 95
Liberia	---	36 471 56	--	---	-	-			26,000 00	10 471 56
Lithuania	[4]9 710 842 89	1 237 956 58	6 197 682.00	3 513 160 89	234,783 00	1 001 626 61				1 546 97
Nicaragua[5]	--	168 575 84	-	-	-- -	-			141 950 36	26,625 48
Poland	[4]327 994,684.20	22,646 297 55	206,057 000 00	121 937 684.20	1 287 297 37	19 310 775 90			--	2 048,224 28
Rumania	80 342,577 15	[6]4 791 007 22	63 860 560 43	16,482 016 72	2 700 000 00	29 061 46		-	1 798 632 02	263 313 74
Russia	481 662 676 31	[7]8,750 311 88			-	-	192 601 297 37	289 061 378 94	-	[7]8 750 311 88
Yugoslavia	64 321 093 78	2 588 771 69	61 625 000 00	2,696 093 78	1 225,000.00	- -	---		727 712 55	636 059 14
Total	15,599 158,981 96	2 752,421 108.75	11 230 472 694.74	[8]3 857 838,543 97	476 243 032.36	1 322 833 248 78	204,561 214.86	306 286,528 39	281 990 396 99	671 354 430 62

[1] Payments of governments which have funded were made prior to date of funding agreements.

[2] German Government has been notified that U S Government will look to German Government for discharge of indebtedness of Government of Austria to U S Government

[3] Includes additional bonds aggregating $3 489 482 75 received July 23 1937 in exchange for bonds aggregating $1,207 742 and annuities aggregating $69 534 46 payable on Jan 1 1933 1934 and 1935 but postponed as provided by agreements of May 8 1930 and Sept 14 1932

[4] Increase over amount funded due to exercise of options with respect to payment of interest due on original issue of bonds of debtor governments

[5] United States held obligations in principal amount of $289 898 78 which together with accrued interest thereon, were canceled on Oct 6 1939 pursuant to agreement of Apr 14 1938, between United States and Republic of Nicaragua, ratified by United States Senate on June 13 1938.

[6] Does not include payment of $100 000 by Rumanian Government on June 15 1940 which was made as a token of its good faith and of its real desire to reach a new agreement covering Rumania s indebtedness to United States

[7] Represents proceeds of liquidation of financial affairs of Russian Government in this country (Copies of letter dated May 23 1922 from Secretary of State and of reply of Secretary of the Treasury dated June 2 1922 in regard to loans to Russian Government and liquidation of affairs of the latter in this country appear in Annual Report of the Secretary of the Treasury for 1922 as exhibit 79 p 283 and in combined annual reports of World War Foreign Debt Commission as exhibit 2 p 84)

[8] Includes balances of amounts postponed under provisions of joint resolution of Dec 23 1931 (For amounts postponed see Annual Report of the Secretary of the Treasury for 1932 p 35)

TABLE 50 —*Amounts due and payable, July 1–Dec 31, 1947, and Jan 1–June 30, 1948, on World War I obligations of foreign governments*

Country	Funding agreements		Supplemental agreements	Total
	Principal	Interest		
	July 1–Dec 31 1047			
Belgium		$4 158 000 00		$4 158 000 00
Czechoslovakia		2 203 742 01		2 293 742 91
Estonia	$184,000 00	286 265 00		470 265 00
Finland	96 000 00	130 025 00	$34 827 24	260 852 24
France		38 522,865 00		38,522 865 00
Germany (Austrian indebtedness) [1]	-			-
Great Britain	51,000 000 00	75 950 000 00		126 950 000 00
Greece	586 000 00	217 920 00		803 920 00
Hungary	10 905 00	33,187 36		53 092 36
Italy		2 490 875 00		2 490 875 00
Latvia	76 300 00	110 600 00		105 909 00
Lithuania		107 783 70		107 783 70
Poland	2 143 000 00	8 582 810 00		5 725 810 00
Rumania		907, 550 81		907 559 81
Yugoslavia		154, 062 50		154 062.50
Total	54, 105, 205 00	128 954 705 28	34 827 24	183 094, 737 52
	Jan 1–June 30, 1948			
Belgium	$5 400 000 00	$4, 158 000 00	-	$9 558 000 00
Czechoslovakia	1 485 000 00	2, 203 742 90	-	3 778 742 90
Estonia	-	286 265 00		286 205 00
Finland		128 845 00	$34, 827 24	163 172 24
France	65, 051 026 63	38, 522 865 00		103 573 891 63
Germany (Austrian indebtedness) [1]	882 626 31			882 626 81
Great Britain		75 950, 000 00	-	75 950 000 00
Greece	594 000 00	217 020 00	-	811 920 00
Hungary		33 185 09		33 185 09
Italy	20, 600, 000 00	2 490 875 00	-	23 090 875 00
Latvia	-	119 609 00	-	110 609 00
Lithuania	67, 820 00	107 783 68	-	175 103 68
Poland		3 582 810 00		3, 582 810 00
Rumania	507 000 00	007 559 81	-	1, 474 550 81
Yugoslavia	729 000 00	154 062 50		883, 062 50
Total	05 375 972 94	128 053 022 98	34 827 24	224, 303, 823 10

[1] German Government was notified in 1938 that Government of the United States will look to German Government for discharge of this indebtedness of Government of Austria to Government of the United States

TABLE 51 —*World War I indebtedness of Germany to the United States and amounts paid and not paid, June 30, 1948*

PART I INDEBTEDNESS OF GERMANY JUNE 30, 1948

Class	Indebtedness as funded	Total indebtedness, June 30, 1948 [1]	Principal	Interest accrued and unpaid
Army costs (reichsmarks)	1 048 100 000	1,097 791 332 75	097 500 000	[2] 100 291 332 75
Mixed claims (reichsmarks)	2 121,000 000	2 320 500 000 00	2,040,000 000	280,500 000 00
Total (reichsmarks)	3,169 700 000	3,418 291,332.75	3,037 500,000	380,791,332 75
Total (in dollars, at 40 33 cents to the reichsmark)	$1,278 340 010	$1,378 506,304 50	$1 225 023 750	$153,578,144 50

[1] Includes interest accrued under unpaid moratorium agreement annuities

[2] Includes 4,027,511 05 reichsmarks deposited by German Government in Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by debt and moratorium agreements

PART II PAYMENTS RECEIVED FROM GERMANY THROUGH JUNE 30, 1948

Class	Total payments received through June 30, 1948	Payments of principal	Payments of interest
Army costs (reichsmarks)	51,450 406 25	50,000,000 00	850 400 25
Mixed claims (reichsmarks)	87 210 000 00	81,600,000 00	5 010,000 00
Total (reichsmarks)	138 666 406 25	132 200 000 00	6 466 400 25
Total (in dollars)	$33,587,809 00	$31,539,595 84	$2 048 213 85

PART III AMOUNTS NOT PAID BY GERMANY ACCORDING TO CONTRACT TERMS, JUNE 30, 1948

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Total to June 30 1947 (reichsmarks)	074 300 000	320 559 562 50	30 580 080 00	[1] 1 334 440 551 50
Sept 30 1947 (reichsmarks)	33 050 000	22,605 750 00		55 655 750 00
Mar 31, 1948 (reichsmarks)	33 050 000	23 345 031 25		50 305 031 25
Total (reichsmarks)	1 040 400 000	375,510 343 75	30 580 089 00	1,440 401 332.75
Total (in dollars, at 40 33 cents to the reichsmark)	$419 593 320	$151,443 321 63	$12 333 312 86	$583 369 954 49

[1] See footnote 2, Part I

TRUST AND SPECIAL FUNDS FOR WHICH INVESTMENTS ARE MADE BY THE TREASURY DEPARTMENT

TABLE 52 —*Adjusted service certificate fund, June 30, 1948*

[On basis of daily Treasury statements, see p 393 This trust fund was established in accordance with the provisions of the act of May 19, 1924 (43 Stat 128) For further details see annual report of the Secretary for 1941 p 135]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Appropriations	$3 645,157 956 40	-	$3 645,157 956 40
Interest on loans and investments	136,017 201 01	$407,512.86	136,424 713 87
Total receipts	3 781 175 157 41	407 512.86	3,781,582 670 27
Expenditures			
Payments under Adjusted Compensation Payment Act, 1936 enacted Jan 27, 1936			
Adjusted service bonds	1 849 778,100 00	214 250 00	1,840,992 350.00
Adjusted service bonds (Government life insurance fund series)	500,157 956 40	-	500 157 956 40
Checks for amounts less than $50	83 859,280 78	8 929 59	83 868,210 37
Checks paid by Treasurer of the United States other than in final settlement of certificates under the Adjusted Compensation Payment Act, 1936 less credits on account of repayments of loans	1 334 776 197 26	6 696,003 00	1 341 472 200 26
Total expenditures	3 768 571,534 44	6,919 182 59	3 775,490 717 03
Balance	12 603,622.97	−6 511,669 73	6,091 953 24

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase or decrease (—) fiscal year 1948	June 30, 1948
Investments			
4% special Treasury certificates of indebtedness adjusted service certificate fund series			
Maturing Jan 1 1948	$12,250,000.00	−$12,250 000 00	-
Maturing Jan 1, 1949		5 800,000 00	$5,800 000 00
Total investments	12,250,000 00	−6 450 000 00	5,800 000 00
Unexpended balances			
To credit of disbursing officers	325 957 41	−42,358 06	283,599 35
On books of the Division of Bookkeeping and Warrants	[1] 27 665 56	−19,311 67	8,353 89
Total assets	12,603 622 97	−6,511,669 73	6,091 953 24

[1] Excludes $46 80 representing deposit of repayment in transit

TABLE 53 —*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1948*

[This trust fund was established in accordance with the provisions of the joint resolution of Congress approved May 23 1935 (49 Stat 287) For further details see annual report of the Secretary for 1941, p 154

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Bequest of Maj Gen Fred C Ainsworth	$10,700.00	-	$10,700 00
Earnings on investments	2,911 15	$278 87	3,190 02
Total receipts	13,611 15	278 87	13 890 02
Expenditures	3,217 49	263 02	3,480 51
Balance	10 393 66	15 85	10,409 51

TABLE 53 —*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1948*—Continued

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase fiscal year 1948	June 30, 1948
Investments			
2⅞% Treasury bonds of 1955-60 (par value $9 700)	$9 972 81		$9 972 81
Unexpended balance on books of the Division of Bookkeeping and Warrants	420 85	$15 85	436 70
Total	10,393 66	15 85	10,409 51

TABLE 54 —*Alaska Railroad retirement and disability fund, June 30, 1948*

[On basis of daily Treasury statements, see p 393 This trust fund was established in accordance with the provisions of sec 9 of the act of June 29, 1936 (49 Stat 2022) For further details see annual report of the Secretary for 1941, p 139]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
On account of deductions from basic compensation of employees subject to retirement act	$1 865 027 90	$323 957 58	$2,188 985 48
Transferred from civil service retirement and disability fund			
On account of deductions	30 980 06		30 980 06
Accrued interest on deductions	2 170 16		2 170 16
Total	33,150 22		33 150 22
Appropriations	1 834,000 00	217 000 00	2,051,000 00
Interest and profits on investments	540,981 63	115 483 71	656 465 34
Total receipts	4,273,159 75	656,441 29	4 929 601 04
Expenditures			
Annuity payments and refunds	1,535,841 03	281,120 43	1,816 961 46
Balance	2,737,318 72	375,320 86	3,112,639 58

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase, or decrease (—) fiscal year 1948	June 30, 1948
Investments			
4% special Treasury notes, Alaska Railroad retirement fund series, maturing			
June 30, 1948	$452,000 00	—$452,000 00	
June 30, 1949	384,000 00		$384,000 00
June 30, 1950	557 000 00		557 000 00
June 30, 1951	637 000 00		637 000 00
June 30, 1952	650,000 00	377,000 00	1,027,000 00
June 30 1953		465,000 00	465 000 00
Total investments	2,680,000 00	390 000 00	3,070,000 00
Unexpended balances			
To credit of disbursing officers	30,077 13	11,362 62	41,439 75
On books of the Division of Bookkeeping and Warrants	[1] 27,241 59	—26,041 76	[2] 1,199 83
Total assets	2,737,318 72	375 320 86	3 112,639 58

[1] Excludes transfer counter warrant in the amount of $50 78

[2] Excludes $34,559 29 July prior deposits appropriated in June 1948.

TABLE 55 —*Canal Zone retirement and disability fund, June 30, 1948*

[On basis of daily Treasury statements see p 393 This trust fund was established in accordance with the provisions of sec 10 of the act of Mar 2, 1931 (46 Stat 1477) For further details see annual report of the Secretary for 1941, p 137]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act	[1]$12 212 755 32	$1 107 846 19	$13 320 602.01
On account of voluntary contributions	303 961 56	108 630 90	412 592 51
Total	12 516 717 37	1,210,477 16	13 733,194 52
Transfers from civil service retirement and disability fund			
On account of deductions	1,314,724 30		1 314 724.36
Accrued interest on deductions	153,076 58		153 076 58
Total	1,467 800 94		1,467,800 94
Appropriations	10 739 000 00	1,177,000 00	11 910 000 00
Interest and profits on investments	3,526,054 56	518 061 71	4 044 116 27
Total receipts	28,249,582 87	2,911 528 86	31,161,111 73
Expenditures			
Annuity payments and refunds	15 777,514 02	1 984 056 76	17 761 570 78
Balance	12,472,068 86	927,472 10	13 399 540 95

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase or decrease (—) fiscal year 1948	June 30, 1948
Investments			
4% special Treasury notes, Canal Zone retirement fund series, maturing			
June 30, 1948	$1 870 000 00	—$1,870 000 00	-
June 30 1949	1 833 000 00	-	$1 833 000 00
June 30, 1950	2 377,000 00	-	2 377 000 00
June 30 1951	4,477 000 00	-	4 477 000 00
June 30, 1952	1,550,000 00	1 177 000 00	2,727,000 00
June 30, 1953		1,610,000 00	1 610,000 00
3% special Treasury notes, Canal Zone retirement fund series, maturing			
June 30 1949	50,000 00	—20,000 00	30,000 00
June 30, 1950	29 000 00	-	29 000 00
June 30 1951	65 000 00		65 000 00
June 30, 1952	6,000 00	56,000 00	62,000 00
June 30 1953	-	17,000 00	17 000 00
Total investments	12 257,000 00	870 000 00	13,127 000 00
Unexpended balances			
To credit of disbursing officer	177,227 46	18 061 93	195,289 39
On books of the Division of Bookkeeping and Warrants	[2] 37,841 39	39 410 17	[3] 77,251 56
Total assets	12,472,068 86	927,472 10	13,399,540 95

[1] Includes payment from Panama Railroad Co of $355 984 00 for 1941
[2] Excludes $124 36 July prior deposits appropriated in June 1947
[3] Excludes $112 17 July prior deposits appropriated in June 1948

TABLE 56.—*Civil service retirement and disability fund, June 30, 1948*

[On basis of daily Treasury statements, see p 303 This trust fund was established in accordance with the provisions of the act of May 22, 1920 (41 Stat 614) For further details see annual report of the Secretary for 1941, p 136]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30 1948
Receipts			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act [1]	$1 988 075,558 53	$231 671 223 11	$2,219 746 781 64
On account of voluntary contributions	7 057 150 00	2,449,200 00	10 406 350 00
Appropriations	1,600,048 079 00	[2] 245 530 000 00	1 851 578 079 00
Interest and profits on investments	545 567,904 66	107 112 645 48	652,680 550 14
Total receipts	4 147 648 092 19	586 703 008 59	4 734 411 760 78
Expenditures			
Annuity payments and refunds	1,667,321,260 06	241 324 472 14	1,908 645,732 20
Transfers to Canal Zone retirement and disability fund			
On account of deductions	1 314 724 36		1,314 724 36
Accrued interest on deductions	153 076 58		153,076 58
Total	1 467 800 94		1 467 800 94
Transfers to Alaska Railroad retirement and disability fund			
On account of deductions	30 080 06		30,080 06
Accrued interest on deductions	2 170 16		2 170 16
Total	33 150 22		33,150 22
Transfers to policemen's and firemen's relief fund, D C			
On account of deductions	43 327 05	9 352 67	52 680 62
Accrued interest on deductions	19 371 90	5 668 44	25 040 34
Total	62 699 85	15,021 11	77,720 96
Total expenditures	1 668 884 011 07	241,339 493 25	1 910 224 404 82
Balance	2,478 763,781 12	345 423,575 34	2,824 187,356 46

Footnotes at end of table

TABLE 56—*Civil service retirement and disability fund, June 30, 1948*—Con

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase, or decrease (—) fiscal year 1948	June 30, 1948
Investments			
4% special Treasury notes, civil service retirement fund series, maturing			
June 30 1948	$519,500 000 00	—$519 500 000 00	
June 30, 1949	509 100 000 00		$509,100 000 00
June 30 1950	529 000 000 00		529 000 000 00
June 30 1951	479 043 000 00		479 043 000 00
June 30, 1952	393 000 000 00	312 330 000 00	705 330 000 00
June 30, 1953		564 900,000 00	564 900,000 00
3% special Treasury notes civil service retirement fund series, maturing			
June 30, 1948	403 000 00	—403,000 00	-
June 30, 1949	942,000 00	-	942 000 00
June 30 1950	1,429 000 00		1 429 000 00
June 30 1951	2,857 000 00		2 857 000 00
June 30, 1952	374 000 00	1,784 000 00	2,158 000 00
June 30 1953		352 000 00	352 000 00
Total investments	2,435 288,000 00	359 373,000 00	2,794 011 300 00
Unexpended balances			
To credit of disbursing officers	30 049 211 80	—9,914,512 18	20,134 699 62
On books of the Division of Bookkeeping and Warrants	[3] 13,476 509 32	—4 034,912.48	[4] 9,441 596 84
Total assets	2,478,763,781 12	345,423 575 34	2,824 187 356 46

[1] Under Public Law 411, approved Jan 24, 1942 it was provided that after June 30 1942 there would be deducted and withheld from basic salary pay or compensation of any officer or employee to whom the Civil Service Retirement Act applies a sum equal to 5 per centum of such officer's or employee s basic salary, pay, or compensation in lieu of 3½ per centum deduction previously in effect

[2] Comprises $244 000 000 00 appropriated from general fund to cover liability of United States and $1,530 000 00 appropriated from revenues of District of Columbia to cover its liability in connection with financing of fund

[3] Excludes $3 217 157 62 representing July prior deposits appropriated as of June 30, 1947, and includes July prior transfer counter warrants (net) of $440,020 68 Also excludes adjustment of $6 999 44 to be made by Treasurer s Office in 1948

[4] Excludes $3 946,864 93 representing July prior deposits appropriated as of June 30, 1948, and excludes July prior repayments in amount of $701 13 Also excludes adjustment of $6,999 44 to be made by Treasurer's Office

TABLE 57.—*District of Columbia teachers' retirement and annuity fund—Assets held by the Treasury Department, June 30, 1948*

[Public Law 624, approved Aug 7 1946 (60 Stat 875), created this fund as successor to the District of Columbia teachers retirement fund established under the act of Jan 15, 1920, as amended, effecting the consolidation of the deductions fund and the Government reserve fund as of July 1, 1946]

Assets	June 30 1947[1] (principal cost)	Increase, or decrease (—), fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Investments				
Government securities				
Treasury bonds				
4¼% of 1947-52	$1 270,679 58	—$1 270 679 58		
2⅞% of 1955-60	3 025 327 25		$2,981 850 00	$3 025 327 25
2¾% of 1951-54	96 908 13		94 000 00	96 908.13
2¾% of 1956-59	230 204 39		231,000 00	236 204 39
2¾% of 1958-63	618,473 14		606 000 00	618 478 14
2½% of 1952-54	513 000 00		513 000 00	513 000 00
2½% of 1956-58	40,100 31		47,000 00	49 100 31
2½% of 1964-69 (dated Apr 15, 1943)	879 721 25		878,000 00	879 721 25
2½% of 1964-69 (dated Sept 15 1943)	1 303 500 00	-	1,303 500 00	1 803 500 00
2½% of 1965-70	257 000 00		257 000 00	257 000 00
2½% of 1966-71	151 000 00		151 000 00	151 000 00
2½% of 1967-72 (dated Oct 20 1941)	341,000 00	-	341,000 00	841 000 00
2½% of 1967-72 (dated June 1, 1945)	1,140 000 00	1 737,044 37	2 828,500 00	2 877,044 37
2½% of 1967-72 (dated Nov 15 1945)	102 843 75	1 161 058.83	1,320,500 00	1,353 902 58
2¼% of 1954-56	656,000 00		656 000 00	656 000 00
2% of 1948-50 (dated Dec 8 1939)	65 000 00		65 000 00	65,000 00
2½% of 1965, Investment Series A		250,000 00	250 000 00	250 000 00
United States savings bonds 2½%, Series G	1 032 500 00	-	1 082 500 00	1,032,500 00
Total Government securities	11 828 257 80	1,877 423 62	13 555 850 00	13,705 681 42
Other securities				
4½% Philippine Islands bonds	197 669 56		182,000 00	197,669 56
4½% Puerto Rican bonds	71 072 13		71 000 00	71 072 13
Total other securities	268,741 69		253 000 00	268 741 69
Total investments	12 096,999 49	1 877,423 62	13,808 850 00	13,974 423 11
Accrued interest receivable	63 072 47	—5 650 75		58,321 72
Unexpended balances				
To credit of disbursing officer	110,633 12	—70,494 87		40 138.25
On books of the Division of Bookkeeping and Warrants	620 022 52	—432 187 96		187 834 56
Total assets	12,897 627 60	1 363 090 04		14 260 717 64
Assets according to accounts				
Deduction account	12 865 234 33	1 342,800 87		14 208 035 20
Voluntary contributions account	32,393 27	20 280 17		52,082 44
Total assets	12 897 627 60	1,363 090 04		14,260 717 64

[1] Includes deductions fund and Government reserve fund reported on pages 507 and 508 of 1946 annual report

TABLE 58.—*District of Columbia water fund—Investments held by the Treasury Department, June 30, 1948*

[These investments were made in accordance with the provisions of the act of June 29 1937 (50 Stat 392), and in subsequent appropriation acts for the District of Columbia For further details see annual report of the Secretary for 1941 p 142]

Investments	June 30, 1947 (principal cost)	Fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Treasury bonds				
2½% of 1952-54	$100 000 00		$100,000 00	$100 000 00
2¾% of 1958-63	749 110 01		736 000 00	749 110 01
2¾% of 1960-65	987,511 56		937,000 00	987 511 56
Total investments	1 836 621 57		1 773 000 00	1,836 621 57

TABLE 59.—*Assets held by the Treasury Department under relief and rehabilitation, Workmen's Compensation Act within the District of Columbia, June 30, 1948* [1]

[This trust fund was established in accordance with the provisions of the act of May 17 1928 (45 Stat 600) For further details see annual report of the Secretary for 1941, p 141]

Assets	June 30, 1947 (principal cost)	Increase, or decrease (—), fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Investments				
Government securities				
Treasury bonds				
2% of 1948–50 (dated Dec 8, 1939)	$12,000 00	-	$12,000 00	$12 000 00
2¼% of 1952–54	5,000 00	-	5 000 00	5 000 00
2⅞% of 1955–60	10,165,63	-	10 000 00	10,165 63
2½% of 1962–67	5,000 00	-	5,000 00	5 000 00
2½% of 1967–72 (dated Nov 15, 1945)	6,000 00	-	6 000 00	0 000 00
United States savings bonds, 2½% Series G	32,600 00	$10,000 00	42,600 00	42,600 00
Total investments	70,765 63	10 000 00	80,600 00	80 765 63
Unexpended balances				
To credit of disbursing officers	3,144.41	—1,451 90		1,692 51
On books of the Division of Bookkeeping and Warrants	17,123 41	—6 440.00		10 683.41
Total assets	91,033 45	2 108 10		93,141 55

[1] Formerly known as District of Columbia workmen's compensation fund

TABLE 60.—*Federal old-age and survivors insurance trust fund, June 30, 1948*

[On basis of daily Treasury statements, see p 393 This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments of 1939, approved Aug 10, 1939 (53 Stat 1362) For further details see annual report of the Secretary for 1940, p. 212]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Appropriations	$9 719 006,970 19	$1,616,162,043 92	$11,335 169,014 11
Interest on investments	839,743,960 06	190,562,318 31	1 030 306,279 87
Transfers from general fund	375,000 00	700,000 00	1,075,000 00
Total receipts	[1]10,559,125,936.25	1,807,424,357 73	12,366 550 293 98
Expenditures			
Benefit payments and refunds	1,529,577,975.40	511,675,674 33	2 041,253,649 73
Reimbursements for administrative expenses under sec 201 (f) of the Social Security Act Amendments of 1939	205,992,026 33	13,018,698 33	219,010,724 66
Salaries, Bureau of Old Age and Survivors Insurance	25 165,987 79	34,438 773 91	59 604,761 70
Total expenditures	1 760,735,989 52	559,133,146 57	2,319,869,136 09
Balance	8,798 389,946 73	1,248,291,211 16	10,046,681 157 89

Footnotes at end of table

TABLE 60.—*Federal old-age and survivors insurance trust fund, June 30, 1948*—Con

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947 (par value)	Increase, or decrease (—) fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Investments				
Special Treasury notes				
Federal old-age and survivors insurance trust fund				
1⅛% series maturing June 30, 1948	$1 100 000 000 00	—$1 100 000 000 00		
Total special Treasury notes	1,100 000 000 00	—1 100 000 000 00	-	
Special Treasury certificates of indebtedness				
2% maturing June 30, 1948	5 995 000 000 00	—5,995 000 000 00		
2⅛% maturing June 30, 1949 -		7,709,000 000 00	$7,700 000 000 00	$7 709,000 000 00
Total special certificates of indebtedness -	5 995 000 000 00	1 714,000 000 00	7 709,000,000 00	7 700,000 000 00
Treasury bonds				
2¼% of 1959-62 (dated June 1 1945) -		941 025 90	938,000 00	941 025 96
2¼% of 1959-62 (dated Nov 15 1945)		3 281 048 91	3,267,000 00	3 281 048, 91
2½% of 1962-67	49 000 000 00	9 909,070 33	58,650 000 00	58 909 070 33
2½% of 1963-68	100 000,000 00	10,777 993 79	110,480,000 00	116 777 993 79
2½% of 1964-69 (dated Apr 15, 1943) -		15 292 810 32	15,052,000 00	15,292,810 32
2½% of 1964-69 (dated Sept 15 1943)	50 000,000 00	18 823 709 13	68,602,000 00	68 823,700 18
2½% of 1965-70 -	400 000,000 00	56,062,334 84	455,447 500 00	456 062,334 84
2½% of 1966-71	295,000 000 00	10 848,805 58	305 677 500 00	305,848 805 58
2½% of 1967-72 (dated June 1, 1945) -	300 000,000 00	126,141,654 21	425,338,000 00	426,141,654 21
2½% of 1967-72 (dated Oct 20 1941)	44 334 250 00	81 150,383 30	122,899 250 00	125 498,633 86
2½% of 1967-72 (dated Nov 15 1945) - -	400 000 000 00	250 200 264 89	648,780 000 00	650,200 264 89
Total Treasury bonds	1 638,334,250 00	589 445 000 82	2,221 137 250 00	2 227 779 256 82
Total investments	8,742 334,250 00	1 194 445,006 82	9,930,137,250 00	9,936,779,256 82
Unexpended balances				
To credit of disbursing officer	r 48,750 551 72	26 136,488 57	- -	74,887,040 29
On books of the Division of Bookkeeping and Warrants	7 305 145 01	27,709 715 77		35 014,860 78
Total assets -	8 798,389 946 73	1,248,291 211.16	- - - -	10 046 681,157 89

r Revised (see footnote 1)

1 Revised to include $875,000 00 transferred from general fund for "Salaries Bureau of Old Age and Survivors Insurance" in accordance with Public Law 76, approved May 26, 1947

TABLE 61.—*Railroad retirement account, June 30, 1948*

[On basis of daily Treasury statements, see p 393 This trust account was established in accordance with the provisions of sec 15 (a) of the act of June 24, 1937 (50 Stat 316) For further details see annual report of the Secretary for 1941, p 148]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30 1948
Receipts			
Appropriations	[1]$2,016,064 000 00	$758 488,498 50	[1]$2 774,552 498 50
Interest on investments	86 495 125 98	38 875 491 78	125 370 617 76
Total receipts	2,102 559,125 98	797 363 990 28	2,899,923,116 26
Expenditures			
Annuity payments and refunds	1 277 701 294 90	222 306 408 37	1 500 007 703 27
Balance	824 857 831 08	575,057,581 91	1 399,915 412.99

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase, or decrease (—) fiscal year 1948	June 30 1948
Investments			
3% special Treasury notes, railroad retirement series, maturing			
June 30 1949	$165 500,000 00	—$165 500 000 00	
June 30, 1950	304,000 000 00	—57 500 000 00	$246 500,000 00
June 30, 1951	315 000 000 00		315 000 000 00
June 30, 1952	21,000,000 00	757 000,000 00	778 000,000 00
June 30, 1953		35,000 000 00	35 000 000 00
Total investments	805,500,000 00	569 000 000 00	1 374,500,000 00
Unexpended balances			
To credit of disbursing officers	18,206 177 93	5 687 719 31	23 893 897 24
On books of the Division of Bookkeeping and Warrants	1,151 653 15	369 862.60	1 521 515 75
Total assets	824,857,831 08	575 057 581 91	1 399 915,412 99

[1] Appropriation reduced by amount of $9 000,000 covering transfer for acquisition of service and compensation data, in accordance with Pub Res 102, approved Oct 9, 1940

TABLE 62.—*Unemployment trust fund, June 30, 1948*

[On basis of daily Treasury statements see p 393 This trust fund was established in accordance with the provisions of sec. 904 (a) of the Social Security Act of Aug 14 1935 (49 Stat 640) For further details see annual report of the Secretary for 1941 p 145]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	State unemployment agencies			Railroad unemployment insurance account [1]			Total unemployment trust fund		
	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30 1948	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30 1948	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30 1948
Receipts									
Deposits	$10 555 527 055 93	$1 007 346 050 50	$11 562,873 106 43	$746 261 677 05	$130 633 530 02	$876,895 207 07	$11 301 788 732 98	$1 137 979 580 52	$12 439 768 313 50
Transfers from State unemployment funds to railroad unemployment insurance account	-	-	-	107 160,768 89	-	107 160 768.89	107 160 768.89		107 160 768 89
Advance by the Secretary of the Treasury (July 5 1939)	-	-	-	15 000 000 00		15 000 000.00	15 000,000 00		15 000 000 00
Transfers from railroad unemployment insurance administration fund (act of Oct 10, 1940)	-		-	56 863,835.00	9 650 100.00	66 513 935 00	56,863,835 00	9 650,100 00	66 513 935.00
Subtotal	10 555 527 055.93	1,007 346 050 50	11 562,873 106.43	925,286 280.94	140 283 630 02	1 065 569 910 96	11,430 813 336.87	1 147 629,680 52	12,628 443 017 39
Interest on investments	729 378,982 99	147 030 295.55	876,409 278 54	62,633 294.54	18,248,921 99	80 882,216 53	792 012,277 53	165 279 217 54	957 291 495.07
Total receipts	11 284 906 038.92	1 154,376 346.05	12 439 282,384.97	987 919 575.48	158 532,552 01	1 146 452 127 49	12 272,825 614.40	1 312 908,898 06	13,585 734,512.46
Expenditures									
Withdrawals by States	4,168 148,195 75	798 131 681 31	4,966,279 877 06	-	-		4 168,148 195 75	798,131 681 31	4,966 279 877 06
Transfers to railroad unemployment insurance account from State unemployment funds	107 160,768.89	-	107 160 768.89				107 160 768.89		107 160 768 89
Repayment of advance to the Secretary of the Treasury (January 1940)	-	-	-	15 000,000 00		15 000,000 00	15,000 000.00	-	15 000 000 00
Subtotal	4 275 308,964.64	798,131 681 31	5,073 440 645 95	15 000 000 00	-	15,000 000 00	4,290 308,964.64	798,131 681 31	5 088,440 645.95
Railroad unemployment benefit payments and refunds	-	-	-	113 472,202 75	60,792,996 21	174,265,198.96	113 472,202.75	60 792 996.21	174,265 198.96
Total expenditures	4,275,308,964 64	798,131 681 31	5,073 440,645 95	128 472,202 75	60 792,996 21	189 265 198.96	4 403 781,167 39	858 924,677 52	5 262,705 844.91
Balance	7 009 597 074 28	356 244,664.74	7 365 841 739 02	859 447 372.73	97 739 555.80	957 186 928.53	7 869 044,447 01	453 984,220 54	8,323 028 667 55

[1] Railroad Unemployment Insurance Act approved June 25 1938

TABLE 62 —*Unemployment trust fund, June 30, 1948*—Continued

II ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1947 (principal cost)	Increase or decrease (—), fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Investments				
Special Treasury certificates of indebtedness unemployment trust fund				
2% series maturing June 30 1948	$7 142 000 000 00	—$7,142 000,000 00		
2½% series maturing June 30 1949		7 500 000 000 00	$7 500 000,000 00	$7 500 000 000 00
Treasury bonds				
2¼% of 1959–62 (dated Nov 15 1945)		4 016 789 05	4 000 000 00	4 016 789 05
2½% of 1962–67	50 000 000 00	1 026 493 04	51 000 000 00	51 026 493 04
2½% of 1963–68	40 000 000 00	16 347,648 71	56 000 000 00	56 347,648 71
2½% of 1964–69 (dated Apr 15 1943)	20,000 000 00	9,168 210 39	29 000,000 00	29 108,210 39
2½% of 1964–69 (dated Sept 15 1943)		7 127 038 45	7 000 000 00	7 127 038 45
2½% of 1965–70	150 000 000 00	3 054 000 25	153 000 000 00	153 054 090 25
2½% of 1966–71	150,000 000 00	2,035 442 91	152, 000 000 00	152 035 442. 01
2½% of 1967–72 (dated June 1, 1945)	150,000 000 00	11 100 222 75	101 000 000 00	161, 109 222 75
2½% of 1967–72 (dated Oct 20 1941)		7 240 144 60	7 000 000 00	7, 246 144 09
2½% of 1967–72 (dated Nov 15, 1945)	150 000 000 00	27 267 542 70	177 000 000 00	177 267 542 70
Total investments	7, 852 000 000 00	440 308 622. 94	8, 297 000 000 00	8, 298 898 622 04
Unexpended balances				
Cash with the Treasurer of the United States	11, 766 649 76	6 878 503 81		18, 145, 243 57
To credit of disbursing officers	5 277 797 25	1, 207 003 79		6 484 801 04
Total assets	7 869 044, 447 01	453 984 220 54	- -	8 323 028, 607 55

III AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1948, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

State	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1948
Alabama	$110 576, 002. 93	$8 004, 878. 82	$58 850, 000 00	$59, 790 881 75
Alaska	18 193 551 87	932 411 52	8 385 378 48	10 740 584 91
Arizona	34 498 771 78	2 392 931 75	10 522 234 07	26 864 468 56
Arkansas	52, 165, 505 85	3 766, 983 86	20 442, 846 36	35 489 043 35
California	1, 280 904 694 76	85, 680 332. 70	666 065 279 44	709 519 748 02
Colorado	60 021 283 22	5, 030 985 79	15, 647 040 19	49 414, 228 82
Connecticut	253, 008 000 00	22 143, 558 74	82 371 906 24	192 779, 502 50
Delaware	10 744 000 20	2, 211 803 87	7 472 069 51	14, 483 734 50
District of Columbia	55 253 451 48	6 801, 252 36	17, 267, 229 25	44 787 474 59
Florida	105, 975 820 77	7 054 750 68	40, 177, 550 60	72 853, 026 85
Georgia	127, 237 192 82	10 631 694 14	30 763 698 88	98 105, 188 18
Hawaii	22, 680, 522 07	2 606, 760 87	2 270, 881 25	23 010, 401 00
Idaho	30 477 097 27	1, 946 386 65	10 382, 013 78	22 041, 470 14
Illinois	770 804 013 81	70, 652, 714 04	347 264 013 81	500 102, 714 04
Indiana	276 879 940 64	22, 939, 760 28	110 844 592 27	189, 475 126 65
Iowa	102 183 050 48	8 214, 518 66	20 794 841 82	80 602 727 82
Kansas	81 540, 490 59	6 049 052. 78	80, 086 500 23	58 103 643 14
Kentucky	132 996 000 00	12 459 031 17	35 902 078 21	109 552, 652 00
Louisiana	140, 145 000. 00	0, 479, 536. 77	56 982, 130 06	92, 642, 897 71
Maine	66 001, 500 00	4, 145 696 47	20 602, 337 04	41 354 859 48
Maryland	194 421 000 00	14 201, 355 67	84, 670, 847 37	123, 952, 008 30
Massachusetts	390 083, 000 00	30 304 289 75	252 812, 725 57	174 174, 564 18
Michigan	611, 212, 826 62	33, 881 578 56	385 881, 485 04	259 212, 919 54
Minnesota	168 047, 807 29	11 632 009 75	63 830 982 32	115 848 834 72
Mississippi	53 746, 978. 76	3, 296, 161 55	15, 107, 412 60	41 935 727 71
Missouri	240 837 668 20	21, 897, 429 46	90 805 464 25	171, 929, 638 41
Montana	36 589 497 20	2 589, 456. 82	12 427 057 77	26, 750 996 25
Nebraska	40, 687, 185 90	3 652, 022 24	11, 856, 585 10	32, 483, 173 04

TABLE 62.—*Unemployment trust fund, June 30, 1948*—Continued

III AMOUNTS OF UNEMPLOYMENT TRUST FUND CUMULATIVE TO JUNE 30, 1948, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT—Continued

State	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30 1948
Nevada	$17 490 820 17	$1 211,563 78	$5,841 734 49	$12 860 649 49
New Hampshire	30 442 168 01	3 100 201 49	15,852 100 20	27 100 353 21
New Jersey	716 666 500 00	57 328 217 99	285,433 521 02	488,561 196 07
New Mexico	21 045,000 00	1 463 639 73	5,419 544 78	17 080,094 05
New York	1,853 897 514 34	118,285,039 85	948,620 977 24	1 028 531 573 95
North Carolina	172,154 000 00	18,785 350 88	42,273 334 43	143 669,015 95
North Dakota	10 184 391 00	797 075 85	3,577 470 75	7,403 988 00
Ohio	663 848,574.72	66,230 691 36	100,114 005 79	539 965,260 38
Oklahoma	74 766 000 00	6 282,796 25	37,944 133 15	43 104 663 10
Oregon	122,074 698 82	8,010 340 18	51,264 892 41	79 429 141 59
Pennsylvania	970 677 000 00	75 890,276 73	428,748 998 97	617 818 277 76
Rhode Island	137 185 727 05	8 407,929 21	96 009 673 54	49 952,983 62
South Carolina	63 131 000 00	5,452,601 95	17,225 743 99	51 357,948 00
South Dakota	9 853,400 00	1 947,823 39	2,370 304 23	8 521 919 16
Tennessee	156 617 500 00	9 951,986 75	64 881 440 15	101,688 046 60
Texas	239 811 000 00	21 628,800 55	74 857 030 42	186 582,890 18
Utah	47 155 387 70	3 088 515 28	17 656 970 36	32 586 906 02
Vermont	20 821 901 14	1 671,444 04	6 507 974 06	15,925 371 12
Virginia	112,447 000 00	9,055,830 58	39 188 850 22	82 313 980 36
Washington	243 415,602 01	16 042,260 54	116 958 178 53	142 499 683 62
West Virginia	123 677 467 76	8 991 900 81	49 051,589 30	82 717 782.18
Wisconsin	237 485 730 51	24,665,132 42	48,973 429 07	213,177 442.26
Wyoming	14,700,966 80	1 128,936 02	4 967 939 85	19 921 963 06
Total	11 568,584,859 03	878,857,780 87	5,081,282 645 05	7,361,159,498 95
Adjustments to daily Treasury statement basis				
Deposits not cleared by the Treasurer of the United States	−713,827 35			−713 827 35
Outstanding checks		-	−7 842,000 00	7,842,000 90
Accrued interest credited to State account	-	−2 448,502 33		−2,448,502 33
Total on basis of daily Treasury statements	11,562 870 531 68	876 409,278 54	5,073,440 645 05	7,395 830 164 27
Railroad unemployment insurance account				
Deposits of Railroad Retirement Board	876,897,781 82		-	876,897,781 82
Transfers from State unemployment funds	107,169,768 89			107 169,768 89
Interest on investments	- -	81,191,892 98		81,191,892.08
Transfers to chief disbursing officer			189,750,000 00	−189 750 990 00
Appropriation advance and repayment	15 000 000 00	-	15,900,000 00	
Transfers from administration fund	66,513,935 00	-	-	66,513,935 00
Total	1,065,572,485 71	81,191,892 98	195 750 000 00	951,014,378 69
Adjustments to daily Treasury statement basis				
Accrued interest credited to insurance account	-	−309,676 45	-	−309,679 45
Cash with disbursing officers		-	−6,484 801 04	6 484,801 04
Total, on basis of daily Treasury statements	1,065,572 485 71	80,882,216 53	189,265 198 96	957,189,503 28
Total unemployment trust fund, as shown in the daily Treasury statement	12,628,443,017 39	957,291,495 07	5 262,705,844 01	8,323,028,667 55

TABLE 63 —*Foreign service retirement and disability fund, June 30, 1948*

[On basis of daily Treasury statements, see p 303 This trust fund was established in accordance with the provisions of sec 18 of the act of May 24, 1924 (43 Stat 144) For further details see annual report of the Secretary for 1041, p 138]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30 1948
Receipts			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act	$4 862,236 43	$797 763 22	$5 659 999 65
Appropriations	8,201,900 00	2,085,000 00	10 346,900 00
Interest and profits on investments	3 120 273 50	460,043 52	3 580 317 02
Total receipts	16,253,409 93	3 342,806 74	19,596,216 67
Expenditures			
Annuity payments and refunds	6,495,278 27	888,833 75	7,384,112 02
Balance	9,758,131.66	2,453 972.90	12,212,104 65

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1047	Increase, or de crease (—), fiscal year 1948	June 30, 1948
Investments			
4% special Treasury notes, foreign service retirement fund series, maturing			
June 30, 1948	$1 638 000 00	—$1,638 000 00	
June 30, 1949	1,639 000 00	-	$1 639 000 00
June 30, 1950	2 422,000 00	-	2,422,000 00
June 30, 1951	2 871,000 00	-	2 871 000 00
June 30, 1952	1 480 000 00	2,200 000 00	3 680 000 00
June 30, 1953		1,790 000 00	1 790,000 00
3% special Treasury notes, foreign service retirement fund series, maturing			
June 30, 1949	6,000 00	-	6,000 00
June 30 1950	44 000 00	-	44 000 00
June 30, 1951	31,000 00	-	31,000 00
June 30, 1952	7,000 00	87 000 00	94,000 00
June 30, 1953		10,000 00	10,000 00
Total investments	9 638,000 00	2,449,000 00	12 087 000 00
Unexpended balances			
To credit of disbursing officers	96 282.57	1,542 00	97,824 57
On books of the Division of Bookkeeping and Warrants	[1] 23,849 09	3,430 99	[2] 27 280 08
Total assets	9,758,131.66	2,453,972.99	12 212,104.65

[1] Includes adjustment warrant for $671 75 and excludes July prior deposit for $19 24 appropriated in June 1947

[2] Excludes adjustment warrants totaling $320 67 and includes transfer and counter warrant for $106 58

TABLE 64.—*Library of Congress trust fund, June 30, 1948*

[This trust fund was established in accordance with the provisions of the act of Mar 3 1925 (43 Stat 1107) For further details see annual report of the Secretary for 1941, p 149]

I ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD [1]

Assets	June 30 1947	Increase or decrease (—), fiscal year 1948	June 30 1948
Securities			
William E Benjamin donation			
1 352 shares, common stock Standard Oil Co of California	$33 800 00	—$33 800 00	
R R Bowker donation			
7% German external loan bonds, German Government	2 000 00		$2 000 00
6½% sinking fund gold bonds, Japanese Government	2,000 00		2 000 00
48 shares common stock, American Telephone & Telegraph Co	4 800 00		4 800 00
Elizabeth Sprague Coolidge donation			
496 shares common stock Commonwealth Edison Co	12 400 00		12 400 00
Joseph Pennell donation			
4% general consolidated mortgage gold bonds, Lehigh Valley R R Co	5,000 00		5 000 00
6% secured gold note National Railways of Mexico	45.00		45 00
4½% prior lien gold bonds, National Railways of Mexico	3 000 00		3 000 00
5% consolidated mortgage bonds Pennsylvania and New York Canal and R R Co	1,000 00		1 000 00
5% sinking fund gold bonds Philadelphia and Reading Coal and Iron Co	735 00		735.00
54 shares, common stock, Pittsburgh Consolidation Coal Co	54 00		54.00
1 scrip certificate, Pittsburgh Consolidation Coal Co	5 00	—5 00	
3½% 20 year debenture bonds Pittsburgh Consolidation Coal Co	400 00	—400 00	
Rights to interest in arrears, United States of Mexico	420 30		420 30
Rights to interest in arrears, United States of Mexico	810 00		810.00
134 shares common stock Pennsylvania R R Co	6,700 00		6 700 00
105 shares, common stock Westmoreland Coal Co	2 100 00		2 100 00
Common stock Westmoreland Inc	1 050 00		1 050 00
Temporary certificate for 20 shares common stock, Philadelphia & Reading Coal & Iron Co (New Co)	20 00		20 00
Total securities [1]	76,348.30	—34 205 00	42 143 30
Real estate			
Pennell donation			
Real estate, (book value) Pine St, Philadelphia, Pa	13,490 05		13 490 05
Total real estate	13 490 05		13 406 05
Unexpended balances on books of the Division of Bookkeeping and Warrants			
Permanent loan fund			
Babine	6 084 74		6 084 74
Beethoven	12,088 13		12 088 13
Benjamin	26 62	83,056 69	83 083 31
Bowker	1 296 45	59 21	1,355 66
Carnegie	93,307 98		93 307 98
Coolidge	150,569 05		150 569 05
Louis C Elson memorial fund	12,585 03		12 585 03

Footnotes at end of table

TABLE 64.—*Library of Congress trust fund, June 30, 1948*—Continued

ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD [1]—Continued

Assets	June 30, 1947	Increase, or decrease (—), fiscal year 1948	June 30, 1948
Unexpended balances on books of the Division of Bookkeeping and Warrants—Continued			
Permanent loan fund—Continued			
Friends of Music in the Library of Congress	$5 509 09		$5,509 09
Guggenheim	90,654 22		90,654 22
Huntington	162,052 26		162,052 26
Longworth	7,691 59		7,691 59
Miller	20 548 18		20 548 18
Pennell	277,848 15	$418.58	278,266 78
Porter	290,500 00		290,500 00
Whittall	470,819 02	138,625 18	609 444.15
Wilbur	305 813 57		305,813 57
Total permanent loan fund	1 907 994 08	222,159 61	2,130,153 69
Total assets	1,997,839 03	187,954 61	2,185,793.64

II LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1948

Donation	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
	Income account securities real estate, etc		
Babine	$1,785 58		$1 785 58
Beethoven	4 429 73		4 429 73
Benjamin	49,744.50		49 744 50
Bowker	4,103 30	$432 00	4,535 30
Carnegie	37 838 36		37 838 36
Coolidge	113 200 23	694 40	113 900 63
Friends of Music in the Library of Congress	318 22		318 22
Guggenheim	32,759 36		32 759.36
Huntington	161 668.10	[2] 9,778 50	171,446.60
Longworth	757 02		757 02
Miller	412 50		412.50
Pennell	76 836 05	2,100 43	78 487 38
Porter	25 369 03		25 369 03
Wilbur	107,845 09		107,345 09
Total	616,074.03	13,005 33	629,079 36
	Income account, permanent loan fund		
Babine	$2,668 45	$267 40	$2 935 85
Beethoven	4,301 34	483.52	4,784 86
Benjamin	1 81	3,106 66	3 108 47
Bowker	287 14	53 19	340 33
Carnegie	34 719 38	3,732.32	38,451 70
Coolidge	42,840 23	6,022 70	48,862.99
Louis C Elson memorial fund	1 079 11	503 40	1 582.51
Friends of Music in the Library of Congress	822.37	220 36	1 042 73
Guggenheim	32,277 38	3,026 16	35,303 54
Huntington	48,373 54	6,482.10	54 855 64
Longworth	3,068 31	307 66	3,375 97
Miller	2,036 57	821 92	2,858 49
Pennell	78,606 77	11,129 89	89 736.66
Porter	10 508 04	11,620 00	22,128 04
Whittall	117,490 30	21,299 25	138,789 55
Wilbur	117,574.24	12,232 56	129 806 80
Total	496,154 98	81 909 15	578,064 13
Grand total	1,112,229 01	94,914 48	1,207,143.49

[1] Does not include 50 shares of Bowden Wire, Ltd , par value £1 per share and 30 shares of Syndicat Francois des Brevets E M Bowden Ltd par value £1 per share, held for Pennell donation Also does not include securities held as investments for Huntington donation under deed of trust dated Nov 17, 1936, administered by designated trustees including Bank of New York

[2] Includes income under deed of trust dated Nov 17, 1936, administered by designated trustees, including Bank of New York

TABLE 65.—*Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended—Assets held by the Treasury Department, June 30, 1948* [1]

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927 (44 Stat. 1444). For further details see annual report of the Secretary for 1941, p. 141]

Assets	June 30, 1947 (principal cost)	Increase, or decrease (—), fiscal year 1948	June 30, 1948	
			Par value	Principal cost
Investments:				
Government securities:				
Treasury bonds:				
4¼% of 1947-52	$38 046 56	—$38, 646 56		
2% of 1948-50 (dated Dec. 8, 1930)	10 000 00		$10 000 00	$10 000 00
3% of 1951-55	9 959 38		10 000 00	9 959 38
2½% of 1952-54	35 000 00		35 000 00	35 000 00
2⅞% of 1955-60	14 920 25		14 800 00	14 920 25
2¾% of 1956-59	14 976 20		14 850 00	14 970 20
2¾% of 1958-63	15 936 38		15 600 00	15 930 38
2¾% of 1960-65	14 085 94		13, 900 00	14 985 04
2½% of 1962-67	23 000 00		23 000 00	23 000 00
2½% of 1964-69 (dated Apr. 15, 1943)	11 500 00		11 500 00	11 500 00
2½% of 1967-72 (dated Nov. 15, 1945)	60, 000 00		60 000 00	60 000 00
United States savings bonds, 2½%, Series G	173 000 00	20 000 00	193 000 00	193 000 00
Total investments	421 924 71	—18 610 56	401 650 00	403 278. 15
Unexpended balances:				
To credit of disbursing officers	95 081 95	—7, 155 04		87 020 01
On books of the Division of Bookkeeping and Warrants	30 131 32	43 378 87		82, 510 19
Total assets	556 137 98	17 577 27		573 715 25

[1] Formerly longshoremen's and harbor workers' compensation fund.

TABLE 66.—*National Archives gift fund, June 30, 1948*

[This trust fund was established in accordance with the provisions of the National Archives Trust Fund Board Act of July 9, 1941 (55 Stat. 581)]

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts:			
Donations:			
Mr. and Mrs. Hall Clovis	$30, 000 00		$30 000 00
Miscellaneous	3 500 00		3 500 00
Total receipts	33 500 00		33, 500 00
Expenditures	5, 333 87	—$28, 166 13	33 500 00
Balance	28, 166 13	—28, 166 13	

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Decrease (—), fiscal year 1948	June 30, 1948
Unexpended balances:			
To credit of disbursing officer	$166 13	—$166 13	
On books of the Division of Bookkeeping and Warrants	28, 000 00	—28, 000 00	
Total assets	28, 166 13	—28, 166 13	

TABLE 67.—*National Cancer Institute gift fund, June 30, 1948*

[This trust fund was established under sec 6 of the National Cancer Institute Act of Aug 5, 1937 (50 Stat 561) For further details see annual report of the Secretary for 1941, p 152]

CONDITIONAL GIFT FUND

I RECEIPTS AND EXPENDITURES

	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30 1948
Receipts			
Donations			
American Society for the Control of Cancer	$120 00	-	$120 00
R R Spencer	300 00		300 00
Total receipts	420 00		420 00
Expenditures (warrants-issued basis)	300 00	$120 00	420 00
Balance	120 00	−120 00	-

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Decrease (—), fiscal year 1948	June 30, 1948
Unexpended balance on books of the Division of Bookkeeping and Warrants	$120 00	−$120 00	--

UNCONDITIONAL GIFT FUND

I RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Donation by Lt Col Stanley C Ramsden	$100 00	-	$100 00
Miscellaneous	1 753 60	$672 21	2,425.81
Total receipts	1 853 60	672 21	2 525 81
Expenditures (warrants issued basis)	307 50		307 50
Balance	1,546 10	672.21	2,218 31

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase, fiscal year 1948	June 30, 1948
Unexpended balance on books of the Division of Bookkeeping and Warrants	$1 546 10	$672 21	$2 218.31

TABLE 68.—*National Institute of Health gift fund, June 30, 1948*

[This trust fund was established in accordance with the provisions of the act of May 26 1930 (46 Stat 379) For further details see annual report of the Secretary for 1941 p 152]

CONDITIONAL GIFT FUND

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Donations			
American Dentel Association	$28,000 00	$10 000 00	$38 000 00
Chemical Foundation	100 000 00		100 000 00
Corn Industries Reserch Foundetion	20 000 00	5 000 00	25 000 00
Josiah Macy, Jr Foundation	5 600 00		5 600 00
Rockefeller Foundetion	22 000 00		22,000 00
The National Foundation for Infantile Paralysis Inc	25,800 00		25 800 00
Total	201,400 00	15 000 00	216 400 00
Earnings on investments (Chemical Foundation)	54,399 18	2 150 00	56,549 18
Total receipts	255 799 18	17 150 00	272 949 18
Expenditures (warrants issued basis)			
Advances to disbursing officers to meet expenditures on account of the Institute			
American Dental Association	25 000 00	12 000 00	37 000 00
Chemical Foundation	63 303 26	4 000 00	67 303 26
Corn Industries Research Foundation	19,413 10	5,000 00	24 413 10
Josiah Meoy, Jr, Foundation	5,600 00		5 600 00
Rockefeller Foundation			
Dental survey	15 000 00		15 000 00
County health work	7,000 00		7 000 00
The National Foundation for Infantile Paralysis, Inc	19,733 50	4,000 85	23 734 35
Total expenditures	155,100 86	25 000 85	180 110 71
Balance	100 689 32	−7 850 85	92 838 47

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Decrease (−) fiscal year 1948	June 30, 1948
Investments			
2¼% Treasury bonds of 1962–72 (dated June 1, 1945)	$86,000 00		$86 000 00
Total	86 000 00		86,000 00
Unexpended balance on books of the Division of Bookkeeping and Warrants			
American Dental Association	3,000 00	−$2,000 00	1 000 00
Chemical Foundation	[1] 5 035.92	−1,850 00	3,185 92
Corn Industries Research Foundation	586 90		586 90
The National Foundation for Infantile Paralysis, Inc	6,066 50	−4,000 85	2 065 65
Total unexpended balance	[1] 14,689 32	−7 850 85	6,838 47
Total assets	100 689 32	−7 850 85	02,838 47

[1] Includes interest amounting to $1 075 00 adjusted by Bookkeeping and Warrants in 1948

Table 68.—*National Institute of Health gift fund, June 30, 1948*—Continued

UNCONDITIONAL GIFT FUND

I. Receipts and Expenditures

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Donations			
E. D. Crossman	$900 00		$900 00
National Merchant Marine Association	296 78	-	296 78
Valentine Perry Snyder	100 00	-	100 00
Miscellaneous	62 00	-	62 00
Total receipts	1,358 78	-	1,358 78
Expenditures	-	-	-
Balance	1,358 78		1,358 78

II. Assets Held by the Treasury Department

Assets	June 30, 1947	Fiscal year 1948	June 30, 1948
Unexpended balance on books of the Division of Bookkeeping and Warrants	$1 358 78		$1,358 78

Table 69.—*National park trust fund, June 30, 1948*

[This trust fund was established in accordance with the provisions of the act of July 10, 1935 (49 Stat. 477). For further details see annual report of the Secretary for 1941, p. 153]

I. Receipts and Expenditures (Exclusive of Purchases and Sales of Investments)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Donations			
Victor C. Cahalane	$33 54	-	$33 54
Alexander Korda Productions	250 00		250 00
Kodak Hawaii Ltd	202 50	-	202 50
Frank Lloyd Productions, Inc	150 00	-	150 00
Loew's Inc	1,200 00	-	1,200 00
Metro Goldwyn Mayer Distributing Corp	50 00	-	50 00
Metro Goldwyn Mayer Corp	3 800 00	[1] -$800 00	3 000 00
Metro-Goldwyn Mayer Pictures	5,000 00	-	5 000 00
Newton B. Drury	50 00	-	50 00
Paramount Pictures, Inc	304 00		304 00
R K O Radio Pictures, Inc	200 00	-	200 00
Time Inc	10 00	-	10 00
Twentieth Century Fox Film Corp	2 050 00	[1] -800 00	1 750 00
Twentieth Century Fox Studios	50 00	-	50 00
Universal Pictures Corp	3,350 00	[1] -150 00	3,200 00
Vanguard Pictures Corp	50 00	-	50 00
Walter Wanger Productions, Inc	900 00	-	900 00
Warner Bros Pictures, Inc	1,200 00	-	1 200 00
Total	18,850 04	[1] -1,250 00	17,600 04
Interest earned on investments	4,433 10	500 76	4,933 95
Total receipts	23,283 23	-749 24	22,533 90
Expenditures	4,000 00	-	4,000 00
Balance	19,283 23	-749 24	18,533 99

[1] Adjustment of deposits

TABLE 69.—*National park trust fund, June 30, 1948*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Decrease (—), fiscal year 1948	June 30, 1948
Investments:			
Treasury bonds:			
2½% of 1952-54	$1,700.00		$1,700.00
2⅞% of 1955-60	[1] 14,548.54		[1] 14,548.54
2½% of 1967-72 (dated Oct. 20, 1941)	1,000.00		1,000.00
2½% of 1963-68	1,000.00		1,000.00
Total investments	18,248.54		18,248.54
Unexpended balances:			
On books of the Division of Bookkeeping and Warrants	1,034.50	—$749.24	285.45
Total assets	10,283.23	—740.24	18,538.90

[1] Par value $14,200.

TABLE 70.—*National service life insurance fund, June 30, 1948*

[On basis of daily Treasury statements, see p. 303. This trust fund was established pursuant to title VI of Public No. 801, approved Oct. 8, 1940 (54 Stat. 1012). For further details see annual report of the Secretary for 1941, p. 143]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts:			
Premiums and other receipts	$3,425,074,214.70	$387,513,605.71	$3,813,187,010.41
Interest and profits on investments	380,083,465.83	100,211,615.54	579,205,081.87
Transfers from general fund [1]	3,447,343,687.83	152,055,378.01	3,600,209,065.84
Total receipts	7,253,101,308.36	730,080,080.20	7,902,782,057.62
Expenditures:			
Benefit payments and refunds	727,710,752.15	801,949,107.45	1,020,050,850.00
Balance	6,525,390,010.21	437,731,581.81	6,063,122,198.02

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1947	Increase, or decrease (—), fiscal year 1948	June 30, 1948
Investments:			
3% special Treasury notes, national service life insurance fund series, maturing:			
June 30, 1948	$820,700,000.00	—$820,700,000.00	
June 30, 1949	1,901,000,000.00	-	$1,901,000,000.00
June 30, 1950	2,044,500,000.00		2,044,500,000.00
June 30, 1951	1,223,000,000.00		1,223,000,000.00
June 30, 1952	484,485,000.00	201,000,000.00	745,485,000.00
June 30, 1953	-	1,020,700,000.00	1,020,700,000.00
Total investments	6,473,685,000.00	401,000,000.00	0,034,685,000.00
Unexpended balance:			
To credit of disbursing officers	51,705,016.21	—23,268,418.10	28,487,198.02
Total assets	6,525,390,016.21	437,731,581.81	6,063,122,198.02

[1] There has been appropriated through June 30, 1948, the amount of $3,798,482,000 available to Veterans Administration for transfer, in accordance with provisions of National Service Life Insurance Act of 1940.

TABLE 71.—*Pershing Hall Memorial fund, June 30, 1948*

[This special fund was established in accordance with the provisions of the act of June 28, 1935 (49 Stat 426) For further details see annual report of the Secretary for 1941, p 155]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30 1947	Fiscal year 1948	Cumulative through June 30, 1948
Receipts			
Appropriations	$482 032 92		$482, 032 92
Interest and profits on investments	57 135 63	$5, 082. 72	62 218. 35
Total receipts	539 168. 55	5 082. 72	544 251 27
Expenditures			
On account of current claims and expenses	288 029 70		288, 629 70
On account of National Treasurer, American Legion	54 041 07	5, 062. 72	59 103 79
Total expenditures	342 070 77	5 062 72	347 733 49
Balance	196, 497 78	20 00	196, 517 78

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30 1947	Increase or decrease (—) fiscal year 1948	June 30, 1948
Investments			
2¾% Treasury bonds of 1951-54 (par value $191 300)	$192, 172. 22	[1]—$218 04	$191 954 18
2½% United States Savings bonds, Series G	1 600 00		1 600 00
Total investments	193 772 22	—218 04	193 554 18
Unexpended balances			
To credit of disbursing officer		2 541 36	2, 541 36
On books of Division of Bookkeeping and Warrants	2,725 56	—2, 303 32	422 24
Total assets	196 497 78	20 00	196 517 78

[1] Represents amortization of premium on bonds in order to adjust fund earnings payable to American Legion, Inc

TABLE 72.—*United States Government life insurance fund—Investments, June 30, 1948*

[This trust fund was established in accordance with the provisions of the act of June 7 1924 (43 Stat 607) For further details see annual report of the Secretary for 1941, p 142]

	June 30, 1947	Increase, or decrease (—) fiscal year 1948	June 30, 1948
Investments			
Government securities			
Special Treasury certificates of indebtedness 3½% maturing June 30			
1948	$1 254, 000 000 00	—$1 254 000 000 00	
1949		1 286 500 000 00	$1 286 500 000 00
Total investments	1 254 000 000 00	32 500 000 00	1 286, 500 000 00
Policy loans outstanding [1]	113 404 819 35	2 508 665 01	115 913 484 36
Total investments in fund	1,367 404 819 35	35 008, 665 01	1 402, 413 484 36

[1] Includes interest accrued to anniversary dates of loans.

TABLE 73 —*United States Naval Academy general gift fund, June 30, 1948*

[This trust fund was established in accordance with the act of Mar 31, 1944 (58 Stat 135)]

I RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	June 30, 1947	Fiscal year 1948	June 30, 1948
Receipts			
Bequests			
Dudley F Wolfe	r $85,000 00	$938 72	$85 938 72
Joseph C Grew	r 100 00		100 00
Perry Belmont	100 00		100 00
Earnings on investments	5,780 23	2 125 00	7,905 23
Total receipts	90 980 23	3 063 72	94 043 95
Expenditures	5 064 71	585 00	5 640 71
Balance	85,915 52	2,478 72	88 394 24

II ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30 1947	Increase fiscal year 1948	June 30 1948
Investments			
2¼% Treasury bonds of 1965-70	$85,000 00		$85 000 00
Total investments	85,000 00	--	85 000 00
Unexpended balance on books of the Division of Bookkeeping and Warrants	915 52	$2,478 72	3,394 24
Total assets	85,915 52	2,478 72	88 394 24

r Revised

CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE GOVERNMENT

TABLE 74 —*Borrowing power and outstanding issues of Government corporations and certain other business-type activities whose obligations are guaranteed by the United States or issued to the Secretary of the Treasury, June 30, 1948*

[In millions of dollars]

Corporation or activity	Borrowing power	Outstanding obligations			
		Total	Held by Treasury	Held by others [1]	
				Unmatured	Matured [2]
I Agencies issuing obligations for cash or in exchange for mortgages					
Commodity Credit Corporation	4 750	482	440	42	-
Economic Cooperation Administration	[3] 1 000				
Export Import Bank of Washington	[4] 2 500	971	971		-
Federal Deposit Insurance Corporation	3 000	-			
Federal Farm Mortgage Corporation	500	2			2
Home Owners Loan Corporation	1 508	247	244		3
Public Housing Administration	[5] 725	362	362		(*)
Reconstruction Finance Corporation	([6])				
Rural Electrification Administration	[7] 1,228	718	718		
Secretary of Agriculture (Farmers' Home Administration)	[8] 42	- -			- -
Secretary of the Army	150				
Tennessee Valley Authority	54	54	54		
Virgin Islands Company The	1	(*)	(*)		
Subtotal	15 457	2,835	2 789	42	5
II Agencies issuing obligations only in payment of defaulted and foreclosed insured mortgages					
Federal Housing Administration	[9] 10 265	27		27	
U S Maritime Commission	[10] 200				
Subtotal	10 465	27		27	
Total	25,922	2,862	2,789	69	5

NOTE —Figures are rounded and will not necessarily add to totals

*Less than $500 000

[1] Excludes matured interest, all agencies in amount of $0 5 million

[2] Funds have been deposited with Treasurer of the United States for payment of all obligations guaranteed by the United States representing outstanding matured principal of $5 million and interest of $0 5 million

[3] Administrator is authorized to issue notes for purchase by Secretary of the Treasury

[4] Authorized to issue obligations to Secretary of Treasury only, which are not guaranteed by the United States

[5] Net of repayments by borrowers to Public Housing Administration and net of retired bond issues of Home Owners' Loan Corporation exclusive of refunding This is a limitation on issues and amount may be increased only by amount of issues for refunding purposes

[6] Corporation is authorized to issue to Secretary of the Treasury obligations in an amount outstanding at any one time sufficient to carry out its functions pursuant to amendment to the Reconstruction Finance Corporation Act, Public Law 132, approved June 30 1947 No notes outstanding as of June 30 1948 See table 32

[7] Administrator is authorized to issue notes, not guaranteed by United States as to principal and interest, to Secretary of the Treasury for loans and undisbursed commitments authorized by R F C as of June 30, 1947, plus the congressional authorization of $225 million for 1948, pursuant to Public Law 266, approved July 30, 1947 This amount was increased to $400 million in Public Law 519, approved May 10, 1948

[8] Secretary of Agriculture is authorized to issue notes, not guaranteed by United States as to principal and interest, to Secretary of the Treasury for all outstanding loans made by and undisbursed commitments authorized by R F C at the close of June 30, 1947 pursuant to Public Law 266, approved July 30, 1947 All outstanding loans have been paid and the limit of borrowing authority represents the amount of un disbursed commitments

[9] Represents $10 100 million limit of authority to insure mortgages and $165 million limit of liability on insured loans which liability may be increased by amount of collections of insurance premiums and decreased by amount of claims paid The authority to insure mortgages under title II may be increased by $1 000 million upon approval of the President Unused mortgage insurance authorizations on June 30, 1948, amounted to $1,555 million Debentures may be tendered and issued only in exchange for insured property acquired through foreclosure

[10] Limit which may be outstanding at any one time with respect to the insuring of ship mortgages

TABLE 75.—*Comparative statement of the combined net investment of the United States with respect to Government corporations and certain other assets and liabilities pertaining to business-type activities, as of June 30, 1939–48*

[In thousands of dollars. Classifications for 1944 and prior years have been reconstructed to conform to classifications prescribed in Budget Treasury Regulation No. 3]

	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948
ASSETS										
Cash	585 382	411 808	376,399	402,508	[1] 1 763 264	618,304	700,775	1,351,216	1 792 484	1 042 253
Deposits with Govt. corps. and agencies	112,891	65,598	212,403	230 253	646 315	629 028	350,716	238 268	310 784	3,235
Loans receivable:										
Interagency	[2] 488,231	[2] 353 000	[2] 1 031 320	[2] 6 512,888	[2] 12 753 019	[2] 18,628,590	[2] 20 694,131	[2] 12,402 850	12 711 713	2 918,640
Others, less reserves	7 627 134	7 714 381	8 105,730	8,378,580	7 685,707	7 186,607	5,544,241	5 424,779	7 662 047	10,359,522
Accounts and other receivables:										
Interagency	31 777	19 204	37 034	68 044	150,343	573,028	1 570 161	1,680 201	872,405	211 522
Others, less reserves	353 866	385,071	480 568	643 162	1 320 784	1 535,677	914 485	937 116	804,464	281 672
Commodities, supplies, and materials, less reserves	([3])	([3])	([3])	([3])	([3])	([3])	2 506 305	1 459,311	850 763	250 698
Investments:										
Public debt securities	713 040	747 752	802 293	940,320	1 345 394	1 525,100	1 679 497	1 767 187	1 777 276	1 683,575
Capital stock and paid in surplus of Govt. corps.	[4] 330,000	[4] 359 000	[4] 540 741	[4] 603 741	632 741	637 741	639 010	444,151	444,422	190,500
Other interagency	948,229	939 640	901 396	945 610	745,228	355,895	11 335	8,582	1 709	---
International Bank for Reconstruction and Development—stock	-	-	-	-		-	-	158,750	635 000	635,000
International Monetary Fund—subscriptions	-	-	-	-		-	-	275	2,750 000	2,750 000
Others, less reserves	868 548	786,550	701 856	660 227	608 739	455 579	374 581	242,242	179 839	145,817
Land, structures, and equipment, less reserves	1 344,937	1,736,465	2,431 854	6 431 837	12,646 612	18 512,235	20 163 729	15 557 797	12,690 578	2,457 783
Acquired security or collateral, less reserves	([3])	([3])	([3])	([3])	([3])	([3])	75 382	40 625	28 597	27 203
All other assets, less reserves	24 600	45 701	74,477	120 064	551 387	1 105,241	1 593,252	632,374	494,915	473 293
Contra interagency assets	[5] 1,745	[5] 740	[5] 1 324	[5] 9 072	[5] 115,478	[5] 1 437 180	-	-	-	-
Total assets	13,430,382	13,564,910	15 697 474	25,946,310	40 965,009	53,200,203	56 817 600	[6] 42,345 726	44,006 994	[7] 23 430 712
LIABILITIES										
Accounts and other payables:										
Interagency	20 892	7 271	14,373	28,753	132,773	484,188	732 046	567 704	223 019	31 231
Others	[5] 53,266	[5] 52 663	[5] 54,059	[5] 39 566	[5] 35,458	[5] 20 954	1 099 520	1 272 217	395,849	184,015
Trust and deposit liabilities:										
Interagency	113 291	65,998	212,753	230 433	735 924	1 881 021	2,749 847	1 236,957	1 057 703	698 913
Others	([9])	([9])	([9])	([9])	([9])	([9])	258,693	442,813	505 557	176 471
Bonds, debentures, and notes payable:										
To Secretary of the Treasury	273,320	104,272	301 639	4,078 601	7,519 145	10 716 260	12 168,702	11 672,128	11,945,841	2 788,924
Other interagency	1 163,141	1 188,368	1 616,027	3 379 807	5 970,663	8 268 225	8 500,764	739 304	767 580	129 715
Others	6 652,762	6,693,631	7 672,760	5,796 744	5 191 585	2 994 836	1 664,831	1 559 217	589 253	903,923
All other liabilities	708,039	1 009 493	1 396 774	3 053 389	5 450 453	5,620 016	2 803,949	2,477 787	1 143,647	825,520
Contra interagency liabilities	[5] 12 231	[5] 12 272	[5] 33 635	[5] 48 188	[5] 51 876	[5] 274,027	-		-	
Total liabilities	8,996 942	9 134,018	11 297 070	16,655 570	25,087 878	30,259 526	29 978,352	[6] 19 968,128	16,628 450	[7] 5,738,713

CAPITAL										
United States interest										
Interagency	[4] 330 000	[4] 359 000	[4] 540 741	[4] 603 741	632 741	637 741	639, 010	444, 151	444 422	190 500
Other	3 716 000	3 666, 978	3 435, 684	8, 249 474	14 804 281	21 859 790	25, 741 337	21 451 391	26, 665 196	[7] 17 347 652
Total United States interest	4, 046 000	4 025, 978	3 976, 425	8, 853 215	15 437 022	22, 497 531	26 380 347	21 895, 542	27 109 618	17 538, 152
Private interest	387 439	404, 913	423 980	437 525	440 109	443 146	458, 901	482 056	268, 926	153 846
Total capital	4, 433 440	4 430 892	4, 400 404	9 290 740	15 877 131	22 940 676	26, 839 248	22, 377 598	27 378 544	17 691 999
Total liabilities and capital	13 430 382	13 564, 910	15 697 474	25, 946 310	40 965 009	53 200 203	56, 817 600	42, 345 726	44 006 994	23 430 712

NOTE —Prior to 1945, valuation reserves were reported as "other liabilities" rather than suspended credits to the respective asset accounts.

[1] Includes $1,250,000 thousand temporary borrowings by Commodity Credit Corporation from Secretary of the Treasury

[2] Revised to include loans made by Secretary of the Treasury

[3] Included in land, structures and equipment classification.

[4] Revised to include stock of banks for cooperatives owned by Farm Credit Administration

[5] Contra interagency assets and liabilities included for those agencies not reporting in statement prior to 1945

[6] Decrease from 1945 caused in part by elimination of interagency assets and liabilities of merged R F C affiliates effective July 1, 1945, and establishment of valuation and depreciation reserves

[7] Decrease from 1947 caused in part with respect to (1) assets exclusion of assets of U S Maritime Commission and War Shipping Administration functions (latest reports available to Treasury for these agencies relating to lend lease and UNRRA activities are as of Mar 31 1947 and the remainder of War Shipping Administration functions as of Feb 28 1947) amounting to $11 367,847 thousand and decrease of $9 365 307 thousand by cancellation (Public Law 860, approved June 30, 1948) of Treasury loans to R F C for which no assets were acquired by Treasury except right of future recoveries from nonlending net assets (2) liabilities exclusion of liabilities of U S Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to $1 160,232 thousand and decrease in R F C liabilities to Treasury of $9 365 307 thousand referred to in item (1) above and (3) United States interest other than interagency exclusion of proprietary interest in U S Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to $10 207,553 thousand

[8] Represents only accrued interest, other accrued liabilities included in "all other liabilities"

[9] Included in "all other liabilities"

TABLE 76.—*Balance sheets of corporations and certain other business-type activities of the Government as of June 30, 1948*

[In millions of dollars. On basis of daily Treasury statement Oct. 15, 1948]

	Grand total	Corporations: Total corporations	Banks for cooperatives	Commodity Credit Corporation	Export-Import Bank of Washington	Federal Deposit Insurance Corporation	Federal Farm Mortgage Corporation	Federal home loan banks	Federal intermediate credit banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation (in liquidation)	Production credit corporations
ASSETS												
Cash on hand and in banks [1]	77.6	73.1	10.2	3.0	0.1	0.5		19.1	14.4	(*)	0.4	0.5
Cash with U. S. Treasury [1]	984.7	866.7	2.9	615.5	1	2.0	44.1	6.7	9	1.3	10.0	3
Deposits with other Govt. corps. and agencies	3.2	3.2	-	-	-			-				
Loans receivable												
Interagency	2,918.6	129.5							52.5			-
Others, less reserves	10,372.6	5,332.1	[3] 229.5	[3] 139.4	2,229.1	4	[3] 80.1	475.2	512.8		421.0	
Accounts and other receivables												
Interagency	211.5	169.7	(*)	143.9	(*)			(*)	1	(*)	1	(*)
Others, less reserves	279.5	195.4	1.6	74.0	23.3	2.1	2.3	1.4	3.8	2.6	1.3	3
Commodities, supplies, and materials, less reserves	250.7	249.3	-	221.0	-	1			-			-
Investments												
Public debt obligations of U. S.	1,683.6	1,546.4	43.4			1,016.8		164.3	43.6	191.5	12.4	66.5
Securities of Govt. corps. and agencies	190.5	12.0						-				-
Others, less reserves	3,530.8	145.4						-			6.7	30.9
Land, structures, and equipment, less reserves	2,457.8	1,017.8	1	1.1	1	(*)		(*)		-		
Acquired security or collateral, less reserves	29.3	16.7	(*)			1.5	1			1	1	
All other assets, less reserves	473.3	448.4	2	1	1	(*)	1	1	3	(*)	(*)	3
Total assets	23,443.8	10,205.6	287.9	1,108.1	2,252.8	1,023.4	126.6	666.9	628.4	195.5	452.0	98.7
LIABILITIES												
Accounts and other payables												
Interagency	30.8	25.1	1	2.9	(*)	1	(*)	5	2	(*)		(*)
Others	184.5	170.3	2	68.5	(*)	4	2	2.5	2.8	(*)	6	3
Trust and deposit liabilities												
Interagency	698.2	689.5	(*)	28.9	(*)	1	4	2	(*)	(*)	1	(*)
Others	177.2	167.9	2	17.9	1	3	1.1	98.9	7	(*)	14.6	(*)
Bonds, debentures, and notes payable [4]												
U. S. Treasury	2,788.9	2,070.8		440.0	970.6			-	-	-	244.0	
Other interagency	129.7	129.7	52.5	-	-	-		-				
Others												
Guaranteed by United States	68.0	40.9		[5] 36.3	-	-	1.7			-	3.0	
Not guaranteed by United States	835.9	835.9	-		-	-	-	306.6	528.8	-	1	
All other liabilities	825.5	677.8	1	455.9	175.1	5.1	2		7	4.5	7	(*)
Total liabilities	5,738.7	4,808.0	53.2	1,050.4	1,145.9	6.0	3.7	408.7	533.2	4.5	263.0	3

CAPITAL

United States interest												
Capital stock	2,393 0	2 393 0	178 5	100.0	1 000 0	22.6	(*)	119 8	60 0	100 0	200.0	81 6
Paid in surplus	2,137 1	2 137 1		[5]1 946 3					5			
Expended appropriations	16 076 3	897 1										
Earned surplus, or *deficit*	*3 055 2*	*183 5*	40 6	*1 898 6*	107 0	[7]994.8	123 0		34 7	[8]91 0	*11 0*	16 8
Total United States interest	17 551 2	5 243 8	219 1	147 7	1 107 0	1 017 4	123 0	119 8	95 2	191 0	189 0	98 4
Private interest												
Capital stock	125 8	125 8	[9]12 6					113 2				
Earned surplus	28 0	28 0	2 9					25 2				
Total private interest	153 8	153 8	15 5					138 3				
Total capital	17 705 1	5 397 6	234 6	147 7	1 107 0	1 017 4	123 0	258 1	95 2	191 0	189 0	98 4
Total liabilities and capital	23,443 8	10,205 6	287 9	1 198 1	2 252 8	1 023 4	125 6	666 9	628 4	195 5	452.0	98 7
Contingent liabilities	232.7	225 3			7 0							
ANALYSIS OF INVESTMENT OF UNITED STATES												
Paid in capital and expended appropriations	20,606.5	5 427 3	178.5	2,046 3	1 000 0	22.6	(*)	119 8	60 5	100 0	200 0	81 6
Treasury loans to Govt corps and agencies [10]	2 738.9	2 070 8		440 0	970 6						244 0	
Subtotal	23 395 4	7 498 1	178 5	2,486 3	1,970 6	22 6	(*)	119 8	60.5	100 0	444 0	81 6
Less total Treasury loans [11]	*2 788 9*											
Investment of the United States	20,606 5	7 498 1	178 5	2,486 3	1 970 6	22 6	(*)	119 8	60 5	100 0	444 0	81 6
Earned surplus, *or deficit*, U S share	*3 055 2*	*183 5*	40 6	*1 898 6*	107 0	994 8	123 0		34 7	91 0	*11 0*	16.8
Book value of U S interest, including interagency items	17 551 2	7 314 6	219 1	587 7	2,077 6	1 017 4	123 0	119 8	95 2	191 0	433 0	98.4
Interagency items—net amounts due to, *or from*												
Government corporations	*36 2*		52.6	*1*	(*)				*52 7*		(*)	(*)
Government agencies reporting	36 2	36 2		(*)	(*)			5				
Government agencies not required to report	514.2	505 8	(*)	*112 0*	(*)	2	4	2	2	(*)	(*)	(*)
Interagency proprietary interests	[12]*190 5*	*12 0*										
Total interagency items excluding Treasury loans to Govt. corps and agencies	323 7	530 0	52.6	*112 2*	(*)	2	4	7	*52 5*	(*)	(*)	(*)
Book value of U S interest, after exclusion of interagency items	17,875.0	7 844.6	271 8	475 5	2 077 6	1 017 6	123 4	120 5	42.8	191 0	433 0	98.4

NOTE —Figures are rounded and will not necessarily add to totals Negative figures are shown in italics

*Less than $50 thousand

[1] Excludes unexpended balances of appropriated funds

[2] Includes $17 2 million guaranteed loans held by lending agencies

[3] Includes real estate sales contracts

[4] Includes notes for short term borrowings

[5] Represents guaranteed obligations arising from drafts and invoices paid by commercial banks This amount does not agree with that published in daily Treasury statement of Aug 2, 1948, because of amended report

[6] Includes $1,563 3 million representing amounts of notes canceled by Secretary of the Treasury for restoration of capital impairment and is net after payment by Commodity Credit Corporation to U S Treasury of $17 7 million on Apr 27, 1948 as a result of Treasury appraisal

[7] Surplus is not available by law for dividend distribution and is considered by Corporation as a reserve for future deposit insurance losses and related expenses with respect to insured banks

[8] Surplus is considered by Corporation as available for future insurance losses and related expenses with respect to insured institutions

[9] Includes $0.2 million deposits to Guaranty fund

[10] As shown above as a liability of each corporation or agency

[11] As shown as an asset of U S Treasury under Other business-type activities

[12] Represents R F C and Agricultural Marketing Act revolving fund proprietary interests in Government corporations.

TABLE 76.—*Balance sheets of corporations and certain other business-type activities of the Government as of June 30, 1948*—Continued

[In millions of dollars]

	Corporations—Continued				Certain other business type activities							
	Public Housing Administration [13]	Reconstruction Finance Corporation [14]	Tennessee Valley Authority	Other [15]	Total certain other business-type activities	Farmers Home Administration	Federal Housing Administration	Federal Works Agency [16]	Rural Electrification Administration	U S Maritime Commission [17]	War Shipping Administration [17]	Other [18]
ASSETS												
Cash on hand and in banks [1]	9 1	4.2		11 6	4.5	1 9						2.5
Cash with U S Treasury [1]	9 9	125 1	2 7	45 1	98 0	16.0	45.8	0 4	26.7			9 1
Deposits with other Govt. corps. and agencies	(*)			3.2								
Loans receivable												
Interagency		76 9			2,789 2				3			[19] 2,783 9
Others less reserves	281.6	909 2	2.1	51 7	5 040 5	266 0	22.7	88 4	853.5			3 809 9
Accounts and other receivables												
Interagency		4 5	1 3	19 8	41.8	(*)	1	35 2	(*)			6 5
Others, less reserves	5.7	17 9	5 0	54 0	84.1	39.8	6	1.9	10 4			31 5
Commodities supplies and materials less reserves	(*)		12 7	15 5	1 4	(*)	1					1.3
Investments												
Public debt obligations of U S	7 9	1		1	137 1	1.0	136 1					
Securities of Govt corps. and agencies		12.0			178 5							178.5
Others less reserves	(*)	107 8		(*)	3 385 4		1					3,385 3
Land, structures and equipment less reserves	202 1	1 6	774.0	39 0	1 440 0	3 6	8	135 6	2			1 299 8
Acquired security or collateral less reserves		15 0			12 6	4	10.8					1 5
All other assets, less reserves	3	[21] 436 1		10 7	24 9	16 4	(*)	(*)				8 5
Total assets	516 7	1 710.4	797 8	250 6	13 238.2	345 0	217 0	261.6	891 1			11 523 4
LIABILITIES												
Accounts and other payables												
Interagency	(*)	19 5	6	1 2	5 7		(*)	(*)	5 6			(*)
Others	4	73 7	14.0	6 6	14 2	(*)	3 8	(*)	(*)			10 3
Trust and deposit liabilities												
Interagency		[20] 659 6	1	1	8.7	4	9	4	1			6 8
Others	(*)	30 6	3	3 1	9.3	3 6	1 3	(*)	(*)			4 4
Bonds debentures and notes payable [4]												
U S Treasury	362.0	([21])	54.0	2	718.1				718.1			
Other interagency				77 2								
Others												
Guaranteed by United States	(*)				27 1		27 1					
Not guaranteed by United States				4								
All other liabilities	9 5	15 5	2	10 4	147 7	(*)	[22] 136 8					10 9
Total liabilities	371 9	798 8	69 1	99 3	930.7	4.0	170.0	5	723.8			32 4

CAPITAL												
United States interest												
Capital stock	1 0	325 0	-	204 5	-	-		---	-			--
Paid in surplus	114.8		41 1	34.4		-				-	-	
Expended appropriations	90 3		683 1	123.7	15,179 2	371 5	*79 8*	2 140.1	178.8			12,409 0
Earned surplus *or deficit*	*61 3*	586 5	[22]4.5	*211 3*	*2 871 7*	*30 5*	*32 8*	*1 878.9*	*11 5*	- -	--	*917 9*
Total United States interest	144 8	911 5	728.7	151 3	12 307 4	341 0	47 0	261 1	167 3	-	-	11 491 0
Private interest												
Capital stock					-	-		-			-	- - -
Earned surplus	-			-	-			-				
Total private interest												
Total capital	144.8	911 5	728 7	151 3	12 307 4	341 0	47 0	261.1	167 3			11 491 0
Total liabilities and capital	516 7	1 710 4	797 8	250 6	13 238.2	345 0	217 0	261 6	891 1			11 523 4
Contingent liabilities	218 3				7 4	1 6	1					5.7
ANALYSIS OF INVESTMENT OF UNITED STATES												
Paid in capital and expended appropriations	206 1	325 0	*724 2*	362 6	*15 179 2*	*371 5*	*79 8*	2,140 1	178.8	-		12,409 0
Treasury loans to Govt corps and agencies [19]	362.0		*54 0*	2	718 1				718 1			-
Subtotal	568 1	325 0	778 2	362 9	15,897 2	371 5	79 8	2,140 1	896 9			12,409 0
Less total Treasury loans [11]	---				*2 788 9*							*2 788 9*
Investment of the United States	568 1	325 0	778 2	362.9	13 108.3	371 5	79 8	2,140 1	896 9			9 620 0
Earned surplus *or deficit* U S share	*61 3*	586 5	4 5	*211 3*	*2 871 7*	*30 5*	*32 8*	*1 878 9*	*11 5*		-	*917 9*
Book value of U S interest including interagency items	506 8	911 5	782 7	151 5	10 236 6	341 0	47 0	261 1	885.4			8 702.1
Interagency items—net amounts due to *or from*												
Government corporations	-	*57 9*	1	57 9	*36 2*	(*)	1	*35 2*	3		-	8
Government agencies reporting		35 1	2	3		(*)			5 6			*5 6*
Government agencies not required to report	(*)	620 4	*1 0*	*2 6*	8 4	4	8	4	1			6.7
Interagency proprietary interests	-	*12 0*	-		*178 5*					-		*178 5*
Total interagency items excluding Treasury loans to Govt corps. and agencies	(*)	585.6	*6*	55.6	*206 2*	4	9	*34 8*	5 5			*178 2*
Book value of U S interest after exclusion of interagency items	506 8	1 497 2	782.1	207 1	10 030 4	341 5	47 9	226 4	890 8			8 523 8

Footnotes through 12 on p 581

[13] Reorganization Plan No 3 of 1947 which became law July 27, 1947 established the Housing and Home Finance Agency in lieu of National Housing Agency with three constituent agencies Home Loan Bank Board Federal Housing Administration, and Public Housing Administration Figures for Public Housing Administration represent activities under U S Housing Act, as amended War housing and other operations of Administration are reflected in Other business-type activities

[14] Includes merged war affiliates, the last of which to be merged was U S Commercial Company which was dissolved in fiscal year 1948. Does not include Federal National Mortgage Association and War Damage Corporation (in liquidation) which are included under Other' corporations

[15] Consists of corporations listed in footnote 5, table 78 with exception of U S Spruce Production Corp

[16] Includes Bureau of Community Facilities and Public Works Administration (in liquidation)

[17] See footnote 7 table 78.

[18] See footnote 5 table 77

[19] Represents obligations of Government corporations and agencies as shown under "Bonds debentures, and notes payable—U S Treasury

[20] Includes $436 1 million representing value of nonlending net assets of war affiliates relating to programs for national defense and reconversion for which there is accountability to the U S Treasury for deposit to miscellaneous receipts of proceeds of liquidation in accordance with provisions of Public Law 860, approved June 30 1948

[21] R F C obligations in amount of $9 313 7 million plus interest accrued thereon subsequent to June 30 1947 were canceled by Secretary of the Treasury in accordance with Public Law 860, approved June 30, 1948 This amount represents unrecovered costs to R F C as of June 30 1947 in its national defense war and reconversion activities

[22] Includes $136 7 million reserves for contingent losses expenses, and other charges

[23] Consists of net income from power operations of $109.2 million and net expense of nonincome-producing programs of $104 7 million.

TABLE 77.—*Income and expense of corporations and certain other business-type activities of the Government, fiscal year 1948*

[In thousands of dollars. On basis of reports received from the corporations and activities]

	Grand total	Corporations										
		Total corporations	Banks for cooperatives	Commodity Credit Corporation	Export-Import Bank of Washington	Federal Deposit Insurance Corporation	Federal Farm Mortgage Corporation	Federal home loan banks	Federal intermediate credit banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation (in liquidation)	Production credit corporations
Income												
Sale of commodities and supplies	2,654 877	2,640 352		2,133 680								
Sale of services	67 757	66,272										
Rents and royalties	139 903	31 785		44							32	
Interest and dividends												
Interest on loans	269 833	151 563	6,395	4,901	53 690	36	5 693	7 302	6,946		21 898	
Interest on public debt obligations	38,865	35 120	1 000			23 481		3 147	989	4,255	131	1,691
Interest, other	10 538	9 574		3 253		132	206		11			
Dividends	30 694	28 381									25,351	21
Guaranty and insurance premiums	225 436	168,135				116 980				8,780		
Other income												
Gains on sale of fixed assets	949	965		965						(*)		
Gains on sale of investments	15,077	15,077	290			13,723		334	491			158
Gains on sale of acquired security or collateral	112	155					155					
Other	108,050	107 782	112	91 091	729	242	248	17	9	9	889	524
Total income	3 561 590	3 255,162	7 798	2 233 934	54 419	154 594	6 302	10 800	8 446	13 044	48 301	2,394
Expense												
Cost of commodities and supplies sold	2,649 027	2,637 734		2 214 666								
Direct operating costs	123 805	72 227										
Interest expense												
On borrowings from U S Treasury	30 994	20 462		413	8 743		55				4,432	
Other	17 996	17 530	1 036	430			75	4 257	5 397			
Administrative expenses	129 901	69 740	1 702	7 765	742	5 532	2,563	1 121	1 356	526	2,734	1 586
Depreciation (not included in cost of sales or direct operating costs)	19 742	9 298	1	608	6					8	6	
Grants subsidies and contributions												
Direct	16 372	9,483		2 509								
Indirect	48	48										
Guaranty and insurance losses	34 693	34,693										
Other expenses	55,895	55,064		30 539	5	25		440	183	13	2	178
Losses and charge-offs												
Loans charged off	16,970	8 588	2	181		30					8	
Other assets charged off	760 874	573 770	(*)	138			(*)		(*)			62
Losses on sale of fixed assets	105 160	886										

Losses on sale of investments	(*)	(*)		-	-			-	(*)			-
Losses on sale of acquired security or collateral	2,922	1 272	1			1 221				6	41	
Direct charges to operating reserves	266	266										
Other	4 390	4,206									13	
Total expense	3 969 053	3.515 267	2 742	2,252,432	9 496	6,807	2 693	5,818	6 936	553	7 231	1 825
Net income *or loss* before adjustment of valuation and operating reserves	*407 463*	*260 106*	5 056	*18,498*	44 923	147,786	3 609	4,982	1 510	12,491	41 069	569
Adjustments of valuation and operating reserves												
Reserve for losses on loans	19,101	18 628	*1 723*	6,842		204	13 869		2			
Reserve for losses on acquired security or collateral	821	2,584	15			2,449	58		(*)	7	49	
Reserve for losses on fixed assets	419,050	419 050										
Reserve for losses on commodities and supplies	52,453	52,453		52,453								
Operating reserves	*21 307*	10 426		10 264								
Other reserves	*4,963*	*3 742*	(*)	*3 556*					(*)	(*)	7	65
Net adjustment of valuation and operating reserves	465,155	499 398	*1 708*	66,003		2,653	13 927		2	8	42	65
Net income, *or loss*	57 692	239 293	3 348	47 505	44,923	150,440	17 535	4,982	1 513	12,499	41 112	634
Changes in unreserved earned surplus or deficit												
Unreserved earned surplus *or deficit*, June 30 1947	*13,936 672*	r *11,328 751*	33 411	*1 946 109*			105,437	8,326	23 953		*62 147*	16,127
Net income, *or loss* for fiscal year 1948	57 692	239 293	3 348	47 505	44,923	150 440	17 535	4,982	1 513	12,499	41,112	634
Transfers to surplus reserves	*231,054*	*237 054*	*11 387*		*44,931*	*150 426*		*1,060*	*800*	*12 499*		
Transfers from surplus reserves	364	364										
Distribution of profits												
To general fund revenues—deposit of earnings	*291 348*	*209 916*										
Dividends	*5 781*	*5 781*						*3 081*				
Other	10 114 902	10 114 900						*74*	*178*			
Prior year adjustments	11 556	10 363			8	*14*					10,000	
Unreserved earned surplus, *or deficit*, June 30, 1948	*4,286 341*	*1,414,612*	25,372	*1 898,604*			122,972	9,094	24,487		*11 035*	16 761

NOTE —Figures are rounded and will not necessarily add to totals Negative figures are shown in italics

r Revised

* Less than $500

[1] Figures represent activities under U S Housing Act as amended War housing and other operations of Administration are reflected in classification 'Other' under Certain other business type activities'

[2] See footnote 5, table 78

[3] Consists of Bureau of Community Facilities and Public Works Administration (in liquidation)

[4] See footnote 7 table 78

[5] Consists of Agricultural Marketing Act revolving fund, Federal Security Agency—loans to students Department of the Interior—Indian loans and Puerto Rico Reconstruction Administration Department of the Navy—guaranteed loans (World War II) and sale of surplus supplies (World War I) Public Housing Administration—Farm Security Administration program, homes conversion program, public war housing program, and veterans' re-use housing program Treasury Department—miscellaneous loans and certain other assets Veterans Canteen Service and Department of the Army—guaranteed loans (World War II)

TABLE 77.—*Income and expense of corporations and certain other business-type activities of the Government, fiscal year 1948*—Continued

[In thousands of dollars]

	Corporations—Continued					Certain other business-type activities							
	Public Housing Administration [1]	Reconstruction Finance Corporation: Exclusive of merged war affiliates	Reconstruction Finance Corporation: Merged war affiliates	Tennessee Valley Authority	Other [2]	Total certain other business-type activities	Farmers Home Administration	Federal Housing Administration	Federal Works Agency [3]	Rural Electrification Administration	U. S. Maritime Commission [4]	War Shipping Administration [4]	Other [5]
Income													
Sale of commodities and supplies	-	-	421 649	15 062	69 962	14,525	-	-	-	-	-	-	14,525
Sale of services	-	-	-	46,692	19 580	1 486		-	-		-	-	1 486
Rents and royalties	5 089		23 608	469	2 543	108 117	168	-	-		-	-	107 949
Interest and dividends													
Interest on loans	7 529	34 803	1 843	5	522	118 269	24 320	11	2 014	14,366	-	-	[8] 77 558
Interest on public debt obligations	195	1	-	-	230	3 246	6	3 240		-	-	-	-
Interest, other	(*)	10	4,943	-	1 020	964	72	849	-	-	-	-	43
Dividends	-	3 009	-	-		2,313		(*)	-	-	-	-	2,312
Guaranty and insurance premiums	-	1,666	-	-	40 709	57 301	34	57 265	-	-	-	-	2
Other income													
Gains on sale of fixed assets	-	-	-	-	-	16	16	-	-	-	-		-
Gains on sale of investments	-	-	-	-	80	-		-	-		-	-	-
Gains on sale of acquired security or collateral	-		-	-	(*)	44	56	-	-	-	-	-	12
Other	1	6,871	1 240	3 752	2,047	268	4	32		-	-		231
Total income	12,814	46 359	453 283	65 980	136,693	306,428	24,532	61 397	2,014	14 366		-	204,119
Expense													
Cost of commodities and supplies sold	-	-	349 895	14 682	58 490	11 293	-	-	-	-		-	11 293
Direct operating costs	599	-	14,848	32,190	24 590	51 578	70	-		-	-	-	51 508
Interest expense													
On borrowings from U S Treasury	6,251	(7)	-	564	4	10 532	223		-	10,309	-		-
Other	-	5 444	-	-	891	465	-	465	-	-	-		-
Administrative expenses	2,200	13 410	18,814	2,059	7 632	60 160	25 087	19 923	51	4,767	-	-	10,333
Depreciation (not included in cost of sales or direct operating costs)	3 462	-	-	3,199	2 008	10 444		80	-	25	-	-	10 338
Grants, subsidies and contributions													
Direct	3 336	-	2,333	-	6,123	6,839	-	-	6,842	-	-	-	47
Indirect	-	-	-	-	48	(*)	(*)	-	-	-	-	-	-
Guaranty and insurance losses			-	-	34,693	-	-	-	-	-	-		-
Other expenses	11	872	13 363	8 856	581	831	-	38	546	-	-	-	247
Losses and charge-offs													
Loans charged off	-	7 980	-	-	388	8 382	8 378	-	-	-	-		4
Other assets charged off	3	-	573,502	-	63	187 104	3 719	-	-	-	-	-	183 385
Losses on sale of fixed assets	-	-	-	-	886	104,274	3 024	15	-		-		107 313

Losses on sale of investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Losses on sale of acquired security or collateral	-	-	-	-	3	1 650	*42*	1 590	-	-	-	-	102
Direct charges to operating reserves	-	-	-	-	266	-	-	-	-	-	-	-	-
Other	-	-	-	-	4 193	184	85	-	-	-	-	-	98
Total expense	15,862	27 706	972,756	61 550	140 859	453 786	34,497	22,081	7 439	15 101	-	-	374 668
Net income *or loss*, before adjustment of valuation and operating reserves	*3 048*	18,653	*519 472*	[8] 4,430	*4 166*	*147 358*	*9 964*	39 317	*5 425*	*735*	-	-	*170 549*
Adjustments of valuation and operating reserves:													
Reserve for losses on loans	-	*930*	-	-	363	474	*345*	58	-	*225*	-	-	985
Reserve for losses on acquired security or collateral	-	-	-	-	6	*1 763*	-	*2 254*	-	-	-	-	491
Reserve for losses on fixed assets	-	-	419,050	-	-	-	-	-	-	-	-	-	-
Reserve for losses on commodities and supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating reserves	171	-	-	-	*8*	*31 734*	-	*31 710*	-	-	-	-	*24*
Other reserves	-	-	-		*244*	*1 221*	-	-		-		-	*1 221*
Net adjustment of valuation and operating reserves	171	*930*	419 050	-	116	*34,244*	*345*	*33 906*		*225*	-	-	232
Net income, *or loss*	*2,878*	17 723	*100 422*	4,430	*4 050*	*181 601*	*10 309*	5 411	*5 425*	*960*		-	*170 318*
Changes in unreserved earned surplus or deficit													
Unreserved earned surplus *or deficit*, June 30, 1947	*54,020*	550,731	[9] *10,024 730*	70	[8] 22,200	[r] *2 609 921*	*20 198*	[10] *38,227*	[r] *1,872 697*	*10 584*	-	-	[r11] *668,215*
Net income *or loss* for fiscal year 1948	*2,878*	17 723	*100 422*	[8] 4 430	*4,050*	*181 601*	*10 309*	5,411	*5 425*	*960*	-	-	*170 318*
Transfers to surplus reserves	-	*15,951*	-	-	-	-	-	-	-	-	-	-	-
Transfers from surplus reserves	-	-	-	-	364	-	-	-	-	-	-	-	-
Distribution of profits													
To general fund revenues—deposit of earnings	-	-	-	-	[12] *209 946*	*81 402*	-	-	*2 014*	(*)	-	-	[6] *79 338*
Dividends	-	-	-	-	*2 700*	-	-	-	-	-	-	-	-
Other	-	-	[13] 10,125 152	-	*10,000*	2	-	-	-	-	-	-	2
Prior year adjustments	*4,435*	4,956	-	-	*153*	1 194	-	-	1 196	-	-	-	2
Unreserved earned surplus, *or deficit* June 30, 1948	*61 332*	557 458	-	4 500	*204,286*	*2 871 729*	*30 507*	*32 816*	*1,878,940*	*11 545*	-	-	*917 921*

Footnotes 1 to 5 on p 585

[6] Includes $46 006 thousand for which R F C obligations were canceled

[7] Government Corporations Appropriation Act, 1949, approved June 30, 1948 (62 Stat 1187) authorized Secretary of the Treasury to cancel R F C notes in amount of $9,313 737 thousand plus interest accrued thereon subsequent to June 30 1947 the foregoing stated amount representing unrecovered costs to Corporation as of June 30, 1947, in its national defense war and reconversion activities

[8] Represents net income during 1948 from power operations

[9] Figures revised to include U S Commercial Co with Merged war affiliates' instead of 'Other'

[10] Adjusted to allow for operating reserve referred to in footnotes to table 75, Balance sheets as of June 30, 1948"

[11] Includes $316 310 thousand deficit of Agricultural Marketing Act revolving fund $49 169 thousand deficit of Department of the Interior—Indian loans and Puerto Rico Reconstruction Administration, and excludes $754 710 thousand deficit of emergency crop and feed loan activities and Farm Security Administration which was not assumed by Farmers Home Administration also includes revisions which increase the June 30 1947 deficits of public war housing program, homes conversion program and Farm Security Administration by $20 616 thousand

[12] Deposits to miscellaneous receipts of Treasury consisting of $209,909 thousand earnings of War Damage Corp and $37 thousand surplus of U S Spruce Production Corp

[13] Includes adjustment of cumulative deficit by cancellation of notes due Treasury Department and write-off of paid in surplus and expended appropriations

TABLE 78.—*Source and application of funds of corporations and certain other business-type activities of the Government, fiscal year 1948*

[In thousands of dollars. On basis of reports received from the corporations and activities]

	Grand total	Corporations: Total corporations	Banks for cooperatives	Commodity Credit Corporation	Export-Import Bank of Washington	Federal Deposit Insurance Corporation	Federal Farm Mortgage Corporation	Federal home loan banks	Federal intermediate credit banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation (in liquidation)	Production credit corporations
Funds applied												
To acquisition of assets												
Loans made	8,935,058	3,643 759	547 682	326 324	598,639	684	1 483	402 714	[1] 1 417 940		2,167	
Purchase of investments.												
Public debt obligations of U S	848,680	799 605	13 343	- -	-	392,000		338,059	11,747	13,250		17 090
Other securities	177	125	-	-	-	- --					-	125
Purchase, construction, or improvement of fixed assets	133 306	52,119	-	69	12	- - -				8	1	
Cost of acquiring collateral on defaulted loans	12,504	1 661	2			1 550	91	-		1	13	
Other	4,558	4,557	- -	-	-					-		
Total acquisition of assets	9,934,283	4,501,825	561,027	326,393	598,651	394,235	1,574	740,773	1,429 687	13,259	2,181	17 215
To expenses (excluding depreciation and other charges not requiring funds)	3,050 066	2,909 343	2,737	2,253,808	9 490	5,555	2 693	5 818	6 935	536	7,184	1,763
To retirement of borrowings and capital, and distribution of surplus												
Repayment of borrowings												
To U S Treasury												
By cash	2,785,130	2,719,946	- --	1,033,000	62,600		21 000				156 845	
By cancellation of notes	10,177 085	10 177 085	-		-	- -					128 154	-
To other Govt. corps. and agencies	105 311	103,432	101,472	-	---		- -	-		- -	-	- - -
To the public	1,029 312	1,019 839	80 468	128 244			687	176 595	632,815		926	
Repayment of capital and surplus												
To U S Treasury	583 410	329 938		17 693	-	[2] 266 695	990	2,881		-		11 015
To others	10 558	10 558	9 698					860		-		
General fund revenues—deposit of earnings	291 348	209 946									-	
Dividends	9 830	5,781						3 081				
Other distribution of surplus	252	252	-					74	178			
Total retirement of borrowings and capital and distribution of surplus	14,992,237	14,576 777	191 638	1,178,937	62,600	266,695	22,677	183 490	632,993		285,926	11 015
To increase in working capital and deferred items	87 760	74,139	-		3 081		18,396		2,676	-	10	
Other funds applied	17 825	17,822			17 745					3		
Total funds applied	28 082 171	22,079 905	755,403	3,759 139	691 570	666 484	45 340	930 082	2,072,291	13 798	295,300	29 993

Funds provided												
By realization of assets												
Repayment of loans												
By cash	6,422,832	3,473 219	485,284	302,951	120 151	940	38 757	216 555	[1] 1 256 277		135 512	
By cancellation of corporation notes	10 177 085											
Sale or collection of investments												
Public debt obligations of U S	957 694	92o 254	13 398			511,525		331 946	11 750		2,800	18,276
Capital stock of Gov corp	252 672	252 672									100,000	
Other securities	31 541	30 920									5,559	9 766
Sale of fixed assets	79 293	53 543		1,385						(*)	2 972	
Sale of acquired security or collateral	14,315	o 148	80			4 452	438		(*)	1	150	
Other	11 871	1 717						12		1		
Total realization of assets	17 947 302	4 742,475	498,762	304 336	120 151	516 916	39 195	548 514	1 268,027	2	246,993	28,043
By income	3,547,147	3 242,331	7,554	2 235,278	54,419	140 844	6,145	10 466	8 009	13 044	48 308	1,773
By borrowings capital and surplus subscriptions and appropriations												
Borrowings												
From U S Treasury	3,254,082	3 022 040		963 000	517 000							
From other Gov corps and agencies	179 902	179 777	[3] 143 657									
From the public	1 343 938	1 343 938	80 468	124 164				343 200	795 755			-
Capital and surplus subscriptions												
By U S Treasury	18,577	18 576			-				500			-
By others	32,627	32,627	13,530					18,433				
Cancellation of notes to U S Treasury	-	-	-	-	-	-	-	-	-		-	-
General fund appropriations—expended	*7,749 072*	38,556	-	-								
Other												
Total borrowings capital and surplus subscriptions and appropriations	*2,919 947*	4,635,515	237,654	1,087,164	517 000			361 633	796 255	-		-
By decrease in working capital and deferred items	935,483	887 400	11 433	132,361		8 725		9 469		752		178
Other funds provided	8,572,184	8,572,184										
Total funds provided	28,082 171	22 079 905	755,403	3 759 139	691,570	666 484	45 340	930 082	2,072 291	13,798	295 300	29,993

NOTE —Figures are rounded and will not necessarily add to totals Negative figures are shown in italics

*Less than $500

[1] Includes renewals

[2] Includes $139 300 thousand for capital stock subscribed for by Federal Reserve Banks

[3] Includes $115 thousand in transit from Federal intermediate credit banks

[4] See footnote 1 table 77

[5] Consists of Defense Homes Corp (in liquidation) Federal Crop Insurance Corp Federal National Mortgage Association Federal Prison Industries, Inc , Inland Waterways Corp (including Warrior River Terminal Co Inc , which has been dissolved and its assets and liabilities merged) Institute of Inter American Affairs Institute of Inter-American Transportation (in liquidation), Panama Railroad Co Prencinradio, Inc (in liquidation) Regional Agricultural Credit Corp of Washington, D C Smaller War Plants Corp (in liquidation), Tennessee Valley Associated Cooperatives Inc (in liquidation) U S Spruce Production Corp (liquidated) The Virgin Islands Co , and War Damage Corp (in liquidation) RFC Mortgage Co and U S Commercial Co have been dissolved and assets and liabilities merged with other R F C war affiliates

TABLE 78 —*Source and application of funds of corporations and certain other business-type activities of the Government, fiscal year 1948*—Con

[In thousands of dollars]

	Corporations—Continued				Certain other business-type activities							
	Public Housing Administration [4]	Reconstruction Finance Corporation	Tennessee Valley Authority	Other [5]	Total certain other business-type activities	Farmers' Home Administration	Federal Housing Administration	Federal Works Agency [6]	Rural Electrification Administration	U S Maritime Commission [7]	War Shipping Administration [7]	Other [8]
Funds applied												
To acquisition of assets												
Loans made	48,095	248,567	2,052	47 411	5 291,290	85 306	-	1,330	246,236	-		[8] 4,958,427
Purchase of investments												
Public debt obligations of U S	-	125	-	13 991	49 075	1,000	48 075		-	-		-
Other securities	-	-	-	-	52	-	52	-	-	-	-	-
Purchase, construction or improvement of fixed assets	241	285	48,015	3,488	81 187	25	143	404	55	-		80 560
Cost of acquiring collateral on defaulted loans	-		-	3	10 843	-	10 756		-		-	87
Other	-			4,557	(*)		-		-		-	(*)
Total acquisition of assets	48 336	248 977	50 068	69 450	5,432 458	86,332	59 027	1 734	246,291	-	-	5 039 075
To expenses (excluding depreciation and other charges not requiring funds)	12,397	418,980	49 089	132,357	140 724	23 802	20,425	6 893	15 076	-	-	74,528
To retirement of borrowings and capital, and distribution of surplus												
Repayment of borrowings												
To U S Treasury												
By cash	10 000	1,434,000	2,500	-	65 184	53 110		-	12,075		-	
By cancellation of notes	-	10 048,931	-		-	-	-		-	-	-	
To other Govt. corps and agencies	-	-		1 960	1,879	-	1,879	-	-		-	-
To the public	-	3	-	101	9 474	-	9 474	-		-	-	-
Repayment of capital and surplus												
To U S Treasury	(*)	-	8,036	[10] 22,627	253,472	105 047	549	20 699	2	-	-	127 176
To others	-	-	-	-	-	-	-			-	-	-
General fund revenues—deposit of earnings		-	-	209 946	81 402	-		2,014	(*)	-	-	79,388
Dividends			-	2,700	4,049	-	4,049	-				-
Other distribution of surplus		-	-		-	-		-			-	-
Total retirement of borrowings and capital, and distribution of surplus	10,000	11 482 934	10,536	237 334	415 460	158,157	15,950	22,713	12 077	-		206 563
To increase in working capital and deferred items	15 458	-	-	34,518	13 621		7 492	-				6 129
Other funds applied	-	-	-	71	4		-		1			2
Total funds applied	86 191	12 150,891	109 693	473 730	6,002 266	268,291	102,894	31 340	273 444			5 326,298

Funds provided												
By realization of assets												
Repayment of loans												
By cash	44,509	870 482	163	1 639	2,940 612	131 047		2,426	21,474			2,794 665
By cancellation of corporation notes	-				10,177 085	-	-				-	10,177,085
Sale or collection of investments												
Public debt obligations of U S	-			35 560	32,440		32 440					-
Capital stock of Govt. corps		152,672								--	-	--
Other securities	(*)	15 578		16	621	-	3					618
Sale of fixed assets	532	40 436	2 040	6 178	25,750	214	30	8 272	13			17 220
Sale of acquired security or collateral				28	9 166	84	8 881					202
Other		1 704	—	--	10,153	110	19	10,000			-	24
Total realization of assets	45 041	1 080 873	2,202	43 421	13 204 827	131 455	41 372	20 699	21 487			12,989 814
By income	12,814	499 575	67 410	136 692	304 817	22 933	61,397	2,014	14 366			204 106
By borrowings capital and surplus subscriptions, and appropriations:												
Borrowings												
From U S Treasury	25 000	1,516 790		250	232,042	12,742			219 300			- --
From other Govt corps and agencies				36 121	124		124					
From the public	-			351							-	-
Capital and surplus subscriptions								-		-		
By U S Treasury	--	-		18 076	(*)							(*)
By others	-	126	41	497								
Cancellation of notes to U S Treasury			-					-			-	--
General fund appropriations—expended	3 336		30 963	4 257	[11]7,787 628	93 714		8,546	5 996	-		[11]7 895 885
Other	-											
Total borrowings capital and surplus subscriptions, and appropriations	28 336	1 516 917	31 004	59 552	7 555 461	106 456	124	8 546	225 296			7 895 885
By decrease in working capital and deferred items		481 341	9 077	234 065	48,083	7 446		81	12,295		-	28,261
Other funds provided	-	8,572,184										-
Total funds provided	86 191	12,150,891	109 693	473 730	8 002,266	268,201	102,894	31 340	273 444		-	5 326 298

Footnotes 1 to 5 on p. 589

[6] Consists of Bureau of Community Facilities and Public Works Administration (in liquidation)

[7] Latest reports available to Treasury on U S Maritime Commission functions, and on War Shipping Administration functions relating to lend lease and UNRRA activities are as of Mar 31 1947 Latest available reports for remainder of War Shipping Administration functions are as of Feb 28 1947 Data derived from such reports were last published in annual report of Secretary of the Treasury for 1947 Publication of current data on U S Maritime Commission will be resumed when available

[8] See footnote 5 table 77

[9] Includes $1 700 000 thousand payments out of credit to United Kingdom

[10] Includes a payment of $75 thousand by Institute of Inter American Transportation by check dated June 29 1948, but not deposited in the Treasury until July 8, 1948

[11] Includes $10 177 085 thousand representing cancellation of $10 048 931 thousand of notes of R F C and $128,154 thousand of bonds of Home Owners Loan Corporation

STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 79.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1948*

[In millions of dollars, except per capita figures]

Kind of money	Stock of money	Money held in the Treasury					Money outside of the Treasury			
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents	All other money	Total	Held by Federal Reserve Banks and agents	In circulation	
									Amount [1]	Per capita [2]
Gold	[3] 23 532	23 532	22,303	156	-	1 073	-		--	
Standard silver dollars	493	334	305	-		29	159	2	156	1.07
Silver bullion	1,955	1,955	1,955			-			- -	
Subsidiary silver	952	10	-	-		10	942	24	919	6.27
Minor coin	360	7		-		7	352	6	346	2.36
United States notes	347	4		-		4	343	22	321	2.19
Federal Reserve notes	24,503	45		-		45	24,458	858	23 600	161 01
Federal Reserve Bank notes	358	1	-	-	-	1	357	3	353	2.41
National bank notes	100	1	-			1	100	1	99	.68
Subtotal	52,601	25 890	24,563	156	-	1 171	26,711	915	25,796	175.99
Gold certificates	[4] 22,303	[5] 19 442	-	-	[5] [6] 19,442	-	2,861	2 815	45	.31
Silver certificates	[4] 2,259	-	-	-		-	2,259	198	2,061	14.06
Treasury notes of 1890	[4] 1	-				-	1		1	.01
Subtotal	[4] 24,563	[5] 19 442			[5] [6] 19 442		5 121	3 013	2,107	14.38
Total June 30, 1948	52 601	25 890	24,563	156		[7] 1,170	[8] 31 832	3,929	27 903	190 37
Comparative totals										
June 30, 1947	50 599	23 633	22,319	156	17 224	1,158	32,061	3 764	28,297	r 196 46
October 31 1920	8 480	4,437	719	153	1,212	353	6,761	1 063	5,698	53 18
March 31 1917	5 397	2,952	2,682	153	--	117	5 126	953	4,173	40 49
June 30 1914	3 798	1 846	1 507	150	---	188	3,459	-	3 459	34.90
January 1 1879	1 007	212	22	100	-	91	816	-	816	16 76

NOTE.—For a description of security held, see footnote 2 table 81 Rounded figures will not necessarily add to totals

r Revised.

[1] Money in circulation includes any paper currency held outside continental limits of United States

[2] Based on Bureau of the Census estimated population for continental United States as of July 1 of each year

[3] Does not include gold other than that held by Treasury

[4] Excluded from total stock since gold or silver held as security against gold and silver certificates and Treasury notes of 1890 is included under gold standard silver dollars and silver bullion respectively

[5] Excluded from total in Treasury (see footnote 4)

[6] Includes credits with Treasurer of the United States payable in gold certificates in (1) gold certificate fund Board of Governors Federal Reserve System in amount of $16 513 733,547, and (2) redemption fund for Federal Reserve notes in amount of $709 924 022

[7] Includes $170 000 000 lawful money deposited as reserve for Postal Savings deposits

[8] The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in Treasury to arrive at stock of money in United States (see footnote 4)

TABLE 80 —*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, June 30, 1913–48* [1]

[In thousands of dollars except per capita figures]

June 30	Stock of money [2]	Money held in the Treasury					Money outside of the Treasury			
		Total [5]	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents [3]	All other money	Total	Held by Federal Reserve Banks and agents	In circulation	
									Amount [4]	Per capita [5]
1913	3 777 021	1 834,112	1 475 783	150 000		208 329	3 418 692		3,418,692	35.16
1915	4 050 783	1 967 665	1 619 429	152,977		195 259	3 702 547	382,965	3 319 582	33 01
1920	8,158,496	2 379,664	704 638	152 979	1 184 276	337 771	6,483 470	1 015 881	5 467 589	51 36
1925	8 299 382	4 176 381	2 059 799	153 021	1 752,744	210 217	6 182 799	1 367 591	4 815 208	41 57
1930	8,306 564	4 021 937	1 978 448	156 039	1 796,239	91 211	6,263 075	1 741 087	4,521 988	36 74
1935	15,113 035	9 997 362	7 131 431	156,039	5,532 590	2,709 891	6 714 514	1 147 422	5 567 093	43 75
1936	17 402,493	11 8[illegible] 635	9 355 224	156 039	5,304 027	2,340 372	9 602 055	3 360 854	6,241 200	48 74
1937	19 376 690	13 685 480	10 240 964	156,039	6,030 913	3,288 477	9 901 261	3 454 205	6 447 056	50 05
1938	20 096,865	14 535 627	12,233 068	156 039	7 829 838	2,146 520	9 964 467	3 503 576	6,460 891	49 77
1939	23,754 736	17 862 671	15 299 262	156,039	10 708 118	2 407 369	10 483 210	3,436 467	7 046 743	53 84
1940	28,457 960	21 836 936	19 651 067	156,039	14 938 895	2,029 829	11 333 196	3 485 695	7 847 501	59 46
1941	32,774,611	24 575 186	22 300 087	156 039	17 506 167	2,119 059	12,993 346	3 380 914	9 612,432	72.16
1942	35,840 908	24 783,526	22 596,352	156,039	17 750 403	2,031 135	15 903 331	3 520 465	12,382 866	91 95
1943	40,868 266	24 466 764	22 199 035	156,039	17 408,945	2 111 690	21 191 591	3 770 331	17 421 260	127 63
1944	44,805 301	23 173 693	20 878,641	156 039	16 194 111	2,139 012	26 316 138	3 811 797	22 504 342	162.98
1945	48 009 400	22 202,115	19 923 738	156 039	15 239 072	2 122,338	30 491 950	3 745,512	26 746,438	r 191 61
1946	49 648,011	22 649 365	20 397 885	156 039	15 287 592	2 095,441	32 108,928	3 863,941	28 244 997	r 199 99
1947	50 599 352	23,633 353	22,318 880	156.039	17 223,658	[6] 1 158,433	32 061 222	3 763 994	28 297 227	196 46
1948	52 601 129	25,890 134	24,563 132	156,039	19 442,373	1 170 962	31 831 755	3 928,896	27 902,859	190 37

NOTE —Rounded figures will not necessarily add to totals

r Revised

[1] Figures differ slightly from monthly circulation statements for following reasons (*a*) Beginning June 30 1922 form of circulation statement was revised so as to include in holdings of Federal Reserve Banks and agents and hence in stock of money gold bullion and foreign gold coin held by Federal Reserve Banks and agents and to include in holdings of Federal Reserve Banks and agents and hence exclude from money in circulation all forms of money held by Federal Reserve Banks and agents whether as reserve against Federal Reserve notes or otherwise For sake of comparableness, figures in this table for earlier years include these changes For full explanation of this revision see 1922 annual report p 433. (*b*) The form of circulation statement was revised again beginning Dec 31, 1927, so as to exclude earmarked gold coin from stock of money and hence from money in circulation to include in holdings of Federal Reserve Banks and agents and hence in stock of money gold held abroad for account of Federal Reserve Banks and to include in all categories, minor coin (1 cent piece and 5-cent piece) Beginning Dec. 31 1927 circulation statement is dated for end of month instead of beginning of succeeding month as was practice theretofore, and figures on revised basis for "Money held in the Treasury" are used For sake of comparableness figures in this table for earlier years include these changes For full explanation of this revision, see 1928 annual report, pp 70–71 For figures for all years from 1860 through 1934 see 1947 annual report pp 478–481 Changes minor in amount are made in some figures in the June 30 circulation statements for use in these annual report tables

[2] Excludes gold and silver certificates and Treasury notes of 1890 outside Treasury Beginning with 1934 excludes amount (gold certificates) held for Federal Reserve Banks and agents These items are excluded since gold and silver held as security against them are included Composition of the stock of money is shown in table 81

[3] From 1934 to date amount (gold certificates) held for Federal Reserve Banks and agents is excluded from total money in Treasury see footnote 2

[4] Composition of money in circulation is shown in table 82

[5] Based on Bureau of Census estimated population for continental United States as of July 1 of each year

[6] On February 26 1947 gold in amount of $1 800 000 000 held for account of exchange stabilization fund was used as follows (1) $687,500 000 11 was paid to International Monetary Fund (2) $275 224 999 89 was transferred to gold certificate fund Board of Governors, Federal Reserve System and (3) $837,275 000 was transferred to general fund of Treasury (and remains in this column)

TABLE 81 —*Stock of money, by kinds, June 30, 1913–48* [1]

[Dollars in thousands]

June 30	Gold [3]	Silver bullion [2]	Standard silver dollars [2]	Subsidiary silver	Minor coin	United States notes [2]	Federal Reserve notes [2]	Federal Reserve Bank notes [2]	National bank notes [2]	Total [3]	Percentage of gold to total money
1913	$1 870,762	-	$568 273	$175,196	$56,951	$346 681	-	-	$759 158	$3,777 021	49 53
1915	1 985,539	-	568 272	185,430	61 327	346,681	$84,261		819,274	4 050,783	49 02
1920	2,865,482	-	268 857	258,855	92,479	346 681	3 405 877	$201 226	719 038	8,158 496	35 12
1925	4 360 382	-	522 061	283,472	104 004	346 681	1 942 240	7 176	733 366	8 299 382	52.54
1930	4 534,866	-	539 960	310,978	126 001	346 681	1 746 501	3 260	698 317	8,306 564	54.59
1935	9 115,643	$313 309	545 642	312,416	133 040	346,681	3,492,854	84 354	769 096	15,113 035	60 32
1936	10 608,417	708 211	547 080	331 716	139 057	346 681	4,296 310	53 300	371 722	17 402 493	60 96
1937	12,318 271	835 196	547 080	358 899	150 954	346 681	4 508 973	38 472	272 164	19 376 690	63 57
1938	12 962,954	1,037,163	547 079	373 461	157 183	346 681	4 420 815	30 840	220 688	20 096 865	64 50
1939	16 110,079	1 230 586	547 079	379 812	161 147	346 681	4,763 989	26 074	189 292	23 754 736	67 82
1940	19 963 091	1 353 162	547 078	402,261	173 909	346 681	5 481 778	22 809	167 190	28,457 960	70 15
1941	22,624,198	1,435 909	547,078	447 248	199 364	346,681	7 001 521	20 704	151 909	32 774 611	69 03
1942	22 736 705	1 505 844	547 077	529 814	224,748	346,681	9 790 727	18 976	140 337	35 840 908	63 44
1943	22 387 522	1 519 746	538 996	659 968	244 850	346 861	14 404 174	632 971	133 358	40 868 266	54 78
1944	21 173 066	1 520 134	494,337	734,488	276 393	346 681	19 527,974	605 011	127 218	44 805 301	47 26
1945	20,212,973	1 520 296	498 943	825 798	303 539	346 681	23 650 975	533 979	121 215	48,009 400	42.10
1946	20,269 934	1 909 099	493 580	878,958	325 978	346,681	24 839 323	469 343	115 114	49 648 011	40 83
1947	21 266,490	1 923 913	493,462	922,656	348 889	346,681	24 780 495	409 443	107 323	50 599 352	42.03
1948	23 532,460	1 955 072	493 100	952,299	359 506	346,681	24 503 331	358,321	100 358	52 601 129	44 74

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] See footnote 1 table 80 For figures for all years from 1860 through 1934 see 1947 annual report pp 482–484

[2] Part of gold and silver included in stock of money is held as reserve against other kinds of money as follows (1) As reserve for United States notes and Treasury notes of 1890—gold bullion (gold coin and bullion prior to gold conservation actions of 1933 and 1934) varying in amount from $150 000 000 to $156 039,431 during years included in this table (2) also as security for Treasury notes of 1890 (these notes are being canceled and retired on receipt)—an equal dollar amount in standard silver dollars (3) as security for outstanding silver certificates—silver in bullion and standard silver dollars of monetary value equal to face amount of such silver certificates and (4) as security for gold certificates—gold bullion (gold coin and bullion before gold actions of 1933 and 1934) of value at legal standard equal to face amount of such gold certificates Federal Reserve notes are secured by deposit by Federal Reserve Banks with Federal Reserve agents of like amount of gold certificates (gold prior to actions of 1933 and 1934) or of gold certificates and such discounted or purchased paper as are eligible under terms of Federal Reserve Act as amended or (from Feb 27 1932) of direct obligations of United States Federal Reserve Banks must maintain reserves in gold certificates (gold for 1933 and prior years) of at least 25 percent (40 percent prior to passage of act of June 12 1945) including redemption fund which must be deposited with Treasurer of United States against Federal Reserve notes in actual circulation (Gold certificates as herein used for 1934 and subsequent years include credits with Treasurer of United States payable in gold certificates) Federal Reserve notes are obligations of United States and first lien on all assets of issuing Federal Reserve Bank Federal Reserve Bank notes at time of issuance were secured by direct obligations of United States or commercial paper however lawful money has been deposited with Treasurer of United States for their redemption and they are in process of retirement National bank notes at issuance were secured by direct obligations of United States lawful money has been deposited with Treasurer for their redemption and they are being retired

[3] Totals involve duplication to extent that United States notes and Federal Reserve notes, included in full are in part secured by gold also included in full Gold certificates silver certificates, and Treasury notes of 1890 have been excluded however since they are complete duplications of equal amounts of gold or silver held as security therefor and included in totals

TABLE 82.—*Money in circulation, by kinds, June 30, 1913–48*[1]

[In thousands of dollars]

June 30	Gold coin	Gold certificates[2]	Standard silver dollars	Silver certificates[2]	Treasury notes of 1890[2]	Subsidiary silver	Minor coin	United States notes[2]	Federal Reserve notes[2]	Federal Reserve Bank notes[2]	National bank notes[2]	Total
1913	608 401	1 003 998	72 127	469,129	2 657	154,458	54,954	337 215		-	715 754	3 418 692
1916	587 537	821 869	64 499	[*]463,147	2 245	159 043	58 516	309 796	70 810		782,120	3 319 582
1920	474 822	259 007	76 749	97 606	1 656	248,863	90 958	278 144	3 064 742	185 431	689 608	5 467 589
1925	402,297	1 004 823	54 289	382 780	1 387	262 009	100 307	282 578	1 636 108	6 921	681 709	4 815 208
1930	357 236	994,841	38,629	386 915	1 260	281 231	117 436	288,389	1 402 066	3 206	650 779	4 521 988
1936	(3)	117 167	32 308	701 474	1 182	295 773	125,125	285 417	3 222 913	81 470	704,263	5 567 093
1936	(3)	100 771	35 029	954,592	1 177	316 476	134,691	278 190	4 002 216	51 954	366 105	6 241 200
1937	(3)	88 116	38 046	1 078,071	1 172	340 827	144,107	281 459	4 168 780	37 616	268 862	6 447 056
1938	(3)	78,500	39 446	1 230 156	1 169	341 942	145,625	262,155	4,114 338	30 118	217 441	6 460 891
1939	(3)	71 930	42,407	1 453 573	1 166	361 209	154 889	265,962	4 483 552	25 593	186 480	7 046 743
1940	(3)	66 793	46 020	1 581 662	1 163	384,187	168 977	247 887	5 163 284	22,373	165 155	7 847 501
1941	(3)	62,872	52,992	1 713 508	1 161	433 485	193 963	299 514	6 684 209	20 268	150 460	9 612,432
1942	(3)	59 399	66 093	1 754 255	1 158	503 947	213 144	316,886	9 310,135	18 717	139 131	12 382 866
1943	(3)	56,909	83 701	1 648 571	1 155	610 005	235 672	322 343	13 746,612	584 162	132,130	17 421 260
1944	(3)	53 964	103,325	1 587 691	1 154	700,022	262,775	322 293	18 750 201	597 030	125 887	22,504,342
1945	(3)	52,084	125 178	1 650 689	1 150	788 283	291 996	322,587	22 867 459	527 001	120,012	26 746 438
1946	(3)	50 223	140 319	2 025 178	1 149	843 122	316,994	316 743	23,973 006	464 315	113 948	28 244 997
1947	(3)	47 794	148 452	2 060 728	1 147	875 971	331 039	320 403	23 999 004	406 260	106 429	28 297 227
1948	(3)	45,158	156 340	2 060,869	1 145	918 691	346 112	321 485	23 600 323	353 499	99 235	27 902 859

NOTE.—Figures are rounded and will not necessarily add to totals.

[*] Revised.

[1] See footnote 1, table 80. For figures for all years from 1860 through 1934, see 1947 annual report, pp. 485–487.

[2] For description of reserves held against various kinds of money, see footnote 2, table 81.

[3] Gold Reserve Act of 1934, which was culmination of gold actions of 1933, vested in United States title to all gold coin and gold bullion. Gold coin was withdrawn from circulation and formed into bars. Gold coin ($287,000,000) shown on Treasury records as being then outstanding was dropped from monthly circulation statement as of Jan. 31, 1934.

CUSTOMS STATISTICS

TABLE 83.—*Customs collections and payments, by districts, fiscal year 1948*

District	Collections [1]					Payments			
	District and miscellaneous customs collections	Department of Justice	Bureau of Internal Revenue	Other collections	Total	Excessive duties and other refunds	Drawback	Expenses (net obligations)	Cost to collect $100
Alaska	$43 496	$1 086	$56	$2	$44,640	$478		$126,206	$282.72
Arizona	3 455 862	7 829	1 144		3 464,835	8,378		291 840	8 42
Buffalo	6 769 421	37 472	468 578	1 828	7 277 299	82,208	$15 329	924,506	12 70
Chicago	8 618,929	3 736	10 535 651	3 120	19,161 436	181 889	189 056	639 386	3 34
Colorado	129 923		80 235		210 158	6 207		31 942	15 20
Connecticut	919 834	58	595 058	260	1 515 210	14,084	5,232	82 480	5 44
Dakota	2,448 654	12,944	249	14	2,459 861	26 321		335 260	13 63
Duluth and Superior	793 578	3 120	633	124	797 460	14,890		218,278	27 37
El Paso	901,600	17 305	7 588	15,407	941 900	23,569	22	489 074	51 92
Florida	4,005,731	163 997	535 680	1 919	4 707 327	91 307	26 406	828 230	17 59
Galveston	4,330,452	8,986	1 000,310	19 345	5 359 093	22,531	5 814	315 294	5.88
Georgia	4,626,493	884	47 548	6,104	4,681 029	9 278	42 142	156,708	3 35
Hawaii	1 130 216	25 254	525,692	79	1 684,241	17 644		303 097	18 00
Indiana	2 078,448		7 310 315		9 388 763	9 537		120 317	1.28
Kentucky	357 425		49 072	202	406 699	43 164	205 407	52 974	13 03
Laredo	3 946 037	35,607	4,830	47	3 986 521	134,209		790 810	19 84
Los Angeles	5 585,107	35 074	6,144 907	4,276	11 769 364	169 338	2,507	785 007	6 67
Maine and New Hampshire	1 450,301	27 564	972	9 603	1 488,440	31 451	323	743 520	49 95
Maryland	12 978,325	45 566	1 463 051	99 883	14 591 825	241 090	159 022	1 001 663	6 86
Massachusetts	63 487 188	28 117	2,460 054	33 741	66 009 100	406,614	1 853 702	2,053 857	3 11
Michigan	10 209 269	56 294	12,651 205	5,018	22 921 786	88,953	253 009	1 254 318	5 47
Minnesota	624,624	8	498 704		1 123 330	19 989	3 645	145 669	12 97
Mobile	1 741 277	4,212	83 911	22,138	1 851 538	20 632	86	138 321	7 47
Montana and Idaho	199 222	7 736	267		207 225	1 412		178 569	86.17
New Orleans	14,493 479	33,668	363 994	52,459	14 943,600	170 185	393 957	1 009 850	6 76
New York	178,987 302	1 696,920	53 737 978	314 659	234,736 859	5,813 491	5 868,288	10,415,601	4.44
North Carolina	11 930,590	80	24	169	11 930 863	5,382	36,794	92,830	78
Ohio	6 602,420	1 708	1 487 585	4,492	8 096 205	142 144	104 676	259 166	3.20
Oregon	1 399 055	1 036	250 876	2,883	1 653 850	19 352	28	231 957	14 03
Philadelphia	30,324 761	38,298	1 615 695	9 640	31 988,394	294,974	765,537	1 266 271	3 96
Pittsburgh	4,070 789		40 950	151	4 111 890	44 319	143,933	85,748	2 09
Rhode Island	5,785 565	144	132,860	135	5 918,704	25,193	1 106	95,457	1 61
Rochester	784,641	200	449 886	8	1 234,735	63,793	102 497	120 715	9 78
Sabine	160 309	7 042	8,198	1 540	177 089	1 154		86 563	48.88
St Lawrence	3 278,240	43,078	2,231 428		5,552 746	20 266	5 570	638,374	11 50
St. Louis	2,524,710		215,300	1 779	2,741 789	41 486	26 248	138,736	5.06
San Diego	579 906	23 469	385	2	603 762	16 999	95	417 470	69 14

San Francisco	7, 387 052	133 488	6, 300 754	35 195	13 856 489	166 049	3, 695	1 229 239	8"87
South Carolina	639 177	1 388	36 840	466	677 871	7 800	685	57 682	8. 51
Tennessee	515, 062		24, 764	1 630	541 456	9 937	46 673	44 725	8 26
Vermont	3 026 992	33 068	418 763	-	3, 478, 823	15, 236	7 445	617 193	17 74
Virginia	9 411 395	23 994	26 603	91 353	9 553, 345	32, 658		350 845	3 67
Washington	2, 544 687	37 828	920 872	16, 514	3, 519 901	171 443	11 831	970, 818	27 58
Wisconsin	493 889	8	142, 805	109	636, 811	18, 408	23, 794	97 481	15 31
Puerto Rico	56 536	14, 809	51	2, 507	73 903	281			
Items not assigned to districts		-		[2] 328	[2] 328	-		[3] 2, 028, 809	
Total	425 825 969	2, 613, 075	112, 880 326	759 129	542 078, 499	8 745, 729	10, 304, 554	32, 262, 856	5. 95
Collections deposited to credit of Government of Puerto Rico	3, 278 706				3 278, 706				
Grand total	429 104, 675	2, 613, 075	112, 880 326	759 129	545 357 205	8, 745, 729	10, 304, 554	32, 262, 856	

NOTE —Figures are rounded to nearest dollar and will not necessarily add to totals

[1] Customs receipts on basis of reports of collecting officers are credited to districts in which collections are made Receipts in the various districts do not indicate the tax burden of the respective districts since taxes may be eventually borne by persons in other districts Customs duties and sale of insular government property for Puerto Rico ($3 278 706) are deposited to credit of Government of Puerto Rico

[2] Virgin Islands

[3] Customs Bureau, patrol and foreign expenses

TABLE 84.—*Estimated customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, calendar years 1938–47 and monthly, July 1946–December 1947* [1]

[Dollars in thousands]

Calendar year and month	Estimated duties (including taxes on imports)	Value of imports entered for consumption		Ratio of dutiable to total	Ratio of duties to value of	
		Total	Dutiable		Dutiable imports	Total imports
				Percent	*Percent*	*Percent*
1938	$301 880	$1 949 624	$78[illegible] 904	39 29	30 35	15 49
1939	328, 352	2 276 099	878 050	38 58	37 40	14 43
1940	318 207	2 540 956	801 835	35 10	35 69	12 53
1941	438 596	3 221 954	1 191 224	39 97	30 82	13 91
1942	318 490	2 799 285	1 009 679	30 40	31 54	11 50
1943	391 540	3 389 951	1 207 301	35 61	32 43	11 55
1944	308 234	3 877 895	1 1[illegible]4 501	30 03	31 02	9 50
1945	382 212	[r] 4 086 017	1 350 487	[r] 33 05	28 30	[r] 9 35
1946	482 860	4 792 110	1 880 228	[r] 30 42	25 50	[r] 10 08
1947	427 979	5 649 108	2 213 764	39 19	19 32	7 57
1946—July	40 009	422 018	1[illegible]4 909	30 49	20 41	9 64
August	38 975	415 371	157 374	37 89	24 77	9 38
September	40 407	378 301	163 918	43 32	24 05	10 68
October	41 092	396 720	166 402	41 96	24 69	10 36
November	44 947	470 230	183 939	39 12	24 44	9 56
December	40 171	497 550	172 777	34 73	23 25	8 07
1947—January	46 848	[r] [illegible]35 558	211 412	[r] 39 48	22 16	8 75
February	36 767	[r] 425 192	163 784	38 52	21 84	8 41
March	38 218	[r] 434 609	177 632	40 87	21 52	[r] 8 79
April	37 061	[r] 483 950	186 310	[r] 38 50	20 38	7 84
May	35 165	[r] 455 833	168 555	[r] 36 98	20 86	[r] 7 71
June	3[illegible] 209	[r] 409 582	190 222	[r] 40 51	18 [illegible]0	[r] 7 52
July	31 975	444 509	173 566	39 04	18 42	7 19
August	29 052	404 025	153 569	37 95	18 92	7 18
September	33 949	480 542	187 242	38 96	18 13	7 09
October	40 257	504 852	220 015	43 70	18 22	7 97
November	32 078	449,031	179 682	40 02	17 85	7 14
December	31 108	560 072	200 818	35 82	15 19	5 55

NOTE.—Figures are rounded and will not necessarily add to totals

[r] Revised

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census showing quantity and value of merchandise imported. Figures back to 1867 can be found in annual reports for 1930, p. 523; 1932, p. 382; and corresponding tables in subsequent reports

TABLE 85.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, for the calendar years 1938–47 and monthly July 1946–December 1947* [1]

[Dollars in thousands]

Calendar year and month	Schedule 1.—Chemicals, oils and paints: Estimated duties	Schedule 1: Value of dutiable imports	Schedule 1: Ratio of duties to imports	Schedule 2.—Earths, earthenware, and glassware: Estimated duties	Schedule 2: Value of dutiable imports	Schedule 2: Ratio of duties to imports	Schedule 3.—Metals and manufactures: Estimated duties	Schedule 3: Value of dutiable imports	Schedule 3: Ratio of duties to imports	Schedule 4.—Wool and manufactures: Estimated duties	Schedule 4: Value of dutiable imports	Schedule 4: Ratio of duties to imports
			Percent			*Percent*			*Percent*			*Percent*
1938	$19 417	$51 958	37.37	$11 049	$24 693	44.75	$21 493	$68 172	31.53	$2 156	$13 503	15.97
1939	19 634	56 586	34.70	10 794	25 369	42.55	25 749	89 728	28.70	2 096	17 002	12.33
1940	12 356	41 204	29.99	8 806	22 336	39.43	31 161	102 303	30.46	1 723	17 461	9.87
1941	13 291	48 695	27.29	7 742	25 857	29.94	43 435	126 095	34.45	2 536	36 039	7.04
1942	10 621	47 203	22.50	4 786	19 031	25.15	28 040	102 300	27.41	2 413	46 185	5.22
1943	7 634	41 480	18.40	4 071	18 399	22.13	31 434	120 054	26.18	1 642	27 852	5.90
1944	8 037	54 122	14.85	3 103	10 764	28.83	28 919	117 660	24.58	2 297	37 299	6.16
1945	10 051	71 859	13.99	3 884	14 760	26.31	38 496	150 019	25.66	2 867	44 563	6.43
1946	13 622	90 198	15.10	9 546	30 941	30.85	50 628	197 984	25.57	4 191	54 610	7.67
1947	16 578	119 282	13.90	13 643	44 308	30.79	51 079	246 376	20.73	3 073	42 112	7.30
1946—July	990	7 610	13.01	787	2 692	29.23	3 979	15 243	26.10	388	5 512	7.04
August	1 382	11 194	12.35	1 006	3 337	30.15	4 232	15 794	26.79	461	6 602	6.98
September	1 254	7 854	15.97	891	2 899	30.73	3 427	14 229	24.08	424	6 195	6.84
October	1 063	7 270	14.62	703	2 081	33.78	4 933	17 975	27.44	445	7 248	6.14
November	1 487	10 984	13.54	1 223	3 645	33.55	5 554	21 023	26.42	269	1 261	21.33
December	1 346	8 854	15.20	1 279	3 928	32.56	5 492	24 059	22.83	300	1 326	22.62
1947—January	1 959	13 683	14.32	1 392	4 203	33.12	4 352	19 117	22.77	258	1 167	22.11
February	1 249	8 829	14.15	1 101	3 556	30.96	4 008	18 675	21.46	222	1 080	20.56
March	1 254	9 727	12.89	984	3 322	29.62	4 202	19 882	21.13	185	906	20.42
April	1 216	9 276	13.11	1 047	3 273	31.99	4 417	20 845	21.19	166	783	21.20
May	2 059	14 280	14.42	1 039	3 377	30.77	4 215	20 038	21.04	170	729	23.32
June	2 008	15 024	13.37	1 194	3 949	30.24	4 500	25 155	17.89	151	607	24.88
July	1 354	9 180	14.75	1 244	4 119	30.20	4 467	20 165	22.15	149	586	25.43
August	738	5 493	13.44	1 189	3 935	30.22	3 383	17 341	19.51	191	2 676	7.14
September	871	6 137	14.19	1 184	4 563	25.95	4 312	20 293	21.25	298	6 697	4.45
October	1 368	9 825	13.92	1 349	4 046	33.34	4 886	22 339	21.87	406	8 627	4.71
November	1 000	7 737	12.92	1 133	3 431	33.02	4 131	20 837	19.83	378	7 607	4.97
December	1 503	10 090	14.90	796	2 535	31.01	4 207	21 691	19.40	499	10 649	4.69

Footnotes at end of table

TABLE 85.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, for the calendar years 1938–47 and monthly July 1946–December 1947* [1]—Continued

[Dollars in thousands]

Calendar year and month	Schedule 5.—Sugar, molasses, and manufactures: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Schedule 6.—Tobacco and manufactures: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Schedule 7.—Agricultural products and provisions: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Schedule 8.—Spirits, wines, and other beverages: Estimated duties	Value of dutiable imports	Ratio of duties to imports
			Percent			*Percent*			*Percent*			*Percent*
1938	$45 506	$95 486	47 66	$24,408	$35,803	68 17	$51 058	$147 857	34.53	$34 498	$59 460	58 02
1939	46 218	90 543	51 05	23 927	35,999	66 47	56,419	173 808	32.45	34 206	59 076	57 90
1940	42 826	87 780	48 79	22 173	36,685	60 44	46,083	147 228	31 30	32 753	53 809	60 87
1941	63,586	145 375	43 74	23 017	38,026	60 53	56,818	173 113	32.82	30 186	49 635	60 82
1942	36,056	134,811	26 75	22 505	37 779	59 57	41 368	178,729	23 15	28,811	56 695	50 82
1943	55 730	194 349	28.68	23 044	43 209	53 33	40 526	248,557	16 30	61 563	83 094	74.09
1944	29 096	101 071	28.79	24.882	65 930	37 74	37 584	266,284	14.11	85,671	115 304	74.30
1945	10 430	35 418	29 45	28,253	82 278	34.34	42,542	314,005	13 55	45,340	67 923	66 75
1946	10 167	42 524	23 91	24,916	89 337	27 89	43 405	354 680	12 24	50 520	95 150	53 10
1947	67 280	436,404	15 42	25 757	92 367	27 89	36 347	311 800	11 66	31 718	67 305	47 13
1946—July	1 383	5 686	24 32	1 766	5,382	32.81	2 014	23 624	11 06	4,187	8,494	49 29
August	1 427	5,415	26 35	1 863	5 776	32.25	2,626	23 651	11 10	3 451	7 394	46 67
September	993	4,201	23 64	1 956	6,188	31 01	2,947	28 850	10 21	3 999	7 838	51 02
October	1 225	4,939	24.80	2 326	7 351	31 64	3 574	34 122	10 47	4 918	9 664	50 89
November	933	4,339	21 50	2 191	7 056	31 05	4,378	37 863	11 56	4 466	10 368	43 07
December	699	3 426	20 40	1 600	5 087	31 45	4,947	37 057	13 35	3 718	8 447	44.02
1947—January	3 466	17 799	19 47	6 517	34.988	18 63	4,142	32 123	12.89	2 146	4 718	45 49
February	4,720	28 037	16.83	1,688	4 936	34 20	3 271	22,703	14.41	2 241	4,745	47 23
March	5 987	36 050	16.61	1 910	5 552	34.40	3 091	24 660	12.53	2,244	4,780	46 95
April	7 341	53 426	13 74	1 683	5 145	32.71	2 963	21 389	13 85	2,133	4 520	47 19
May	5 824	38,119	15 28	1 493	4 430	33 70	2,066	17 455	11 84	3 081	6 609	46 62
June	7 093	45,797	15 49	1 817	5 477	33 18	2 496	26 262	9 50	2,884	6 056	47 62
July	6 839	46,832	14.60	1 780	5 353	33 25	1 353	15 385	8 99	2,310	4,905	47 09
August	6 251	40 021	15 62	1 719	5,218	32.94	1 711	16 799	10 19	2,206	4,531	48 69
September	4,269	28,802	14.82	1 941	5,751	33 75	3 148	29 393	10 71	3 226	6 763	47 70
October	4,788	31 492	15 20	2.126	6 556	32 43	5,232	49 477	10 57	3 843	8 031	47 83
November	4,511	30 268	14.90	1 834	5 378	34.10	3 177	27 172	11 69	3 227	6,833	47 23
December	6,192	39 762	15 57	1 250	3 583	34.89	3 666	28 982	12 65	2,178	4,810	45 28

Calendar year and month	Estimated duties	Value of dutiable imports	Ratio of duties to imports	Estimated duties	Value of dutiable imports	Ratio of duties to imports	Estimated duties	Value of dutiable imports	Ratio of duties to imports	Estimated duties	Value of dutiable imports	Ratio of duties to imports
	Schedule 9—Cotton manufactures			Schedule 10—Flax hemp jute, and manufactures			Schedule 11—Wool and manufactures			Schedule 12—Silk manufactures		
			Percent			Percent			Percent			Percent
1938	$9 439	$24,253	38.86	$12,092	$49 402	24.48	$18 531	$27 418	67 59	$3,327	$6 185	53 79
1939	9,841	27 284	36 07	10 829	54,765	19.77	33 624	49,271	68.24	2,776	5,286	52.52
1940	7 050	20 106	35 06	10 255	68,033	15.07	51 601	77 829	66.30	2,148	4,074	52.72
1941	5 002	15 003	33 34	9 526	69 846	13 64	123 118	185 672	66.31	1,457	2,829	51 50
1942	2,548	8 270	30 81	6,639	52,309	12.69	112,973	178 771	63 19	411	855	48.07
1943	2,707	8 946	30.26	4,857	40,635	11 95	134 360	218,316	61 54	209	438	47 72
1944	1,900	6 709	28.32	2,252	10 047	22 41	114,379	179 016	63.89	307	598	51 34
1945	4,533	26 066	17 39	3 982	17 863	22.29	144 039	229 513	62.76	927	1 928	48 08
1946	5,453	23 451	23.25	15,394	106,202	14.50	167 759	276,042	60 77	2,459	5,159	47 66
1947	4,921	15 986	30 78	13,878	149 880	9 26	95,072	199 090	47 75	5,272	10 930	48.23
1946—July	569	2,500	22.76	976	5,628	17 34	15,033	25,039	60.04	319	666	47 90
August	574	2,412	23.80	1 021	5,775	17 68	13,433	22 793	58.93	197	414	47 58
September	418	1,641	25.47	1,447	10 667	13 57	14,917	23,882	62.46	221	473	46.72
October	482	1 955	24.65	1 049	6,005	17 47	12,720	20 743	61 32	254	545	46 61
November	656	2,310	28.40	2,128	15,654	13 59	13,040	21,936	59 45	223	466	47 85
December	563	2,015	27 94	1,642	12,042	13 64	10,313	18,248	56.52	270	573	47 12
1947—January	636	2,029	31 35	1,694	12,503	13 55	12,804	23 983	53 39	149	312	47 76
February	516	1 614	31 97	1 780	15 552	11,45	9 107	17 287	52 68	107	224	47 77
March	438	1,402	31.24	1,383	11,050	12 52	10,626	21,339	49 80	119	226	52.65
April	427	1 339	31 89	1,111	9 838	11 29	10,063	20,173	49 88	131	275	47 64
May	476	1 527	31.17	985	7 813	12.61	9 119	19 391	47 03	131	274	47 81
June	304	961	31.63	1,075	11,957	8 99	7 403	15,135	48.91	206	478	43 10
July	380	1 157	32 84	1,246	19 275	6 46	6,294	13 403	46.96	210	635	33 07
August	346	1 052	32.89	845	10,370	8 15	5,801	12,701	45.67	484	1 031	46 94
September	367	1,217	30 16	1,275	18,896	6 75	7 137	15,757	45.29	679	1,455	46.67
October	399	1,272	31.37	1,147	13,342	8.60	7,318	16,095	45 47	1,304	2,607	50.02
November	303	947	32.00	713	9 953	7 16	5,705	13,924	40 97	810	1,610	50 31
December	331	1 468	22 55	623	9 332	6.68	3,697	9 900	37 34	941	1,803	52 19

Footnotes at end of table

TABLE 85 —*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, for the calendar years 1938–47 and monthly July 1946–December 1947* [1]—Continued

[Dollars in thousands]

Calendar year and month	Schedule 13.—Manufactures of rayon or other synthetic textiles: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Schedule 14.—Pulp, paper and books: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Schedule 15.—Sundries: Estimated duties	Value of dutiable imports	Ratio of duties to imports	Free-list commodities taxable under the Revenue Act of 1932 and subsequent acts [2] dutiable under section 466 Tariff Act of 1930 etc: Estimated duties	Value of dutiable imports	Ratio of duties to imports
			Percent			Percent			Percent			Percent
1938	$2,274	$6,041	37.64	$2,531	$11,970	21.14	$33,959	$110,444	30.75	$9,636	$33,285	28.95
1939	3,090	10,210	30.26	2,152	11,461	18.78	35,245	133,270	26.45	11,753	38,394	30.61
1940	1,260	3,898	32.32	1,278	7,550	16.93	29,558	114,957	25.71	17,235	86,582	19.91
1941	753	2,550	29.53	2,791	13,641	20.46	25,438	132,757	19.16	29,901	126,091	23.71
1942	81	202	40.10	1,643	9,534	17.23	13,411	96,819	13.85	6,183	40,185	15.39
1943	113	219	51.60	1,029	7,432	13.85	17,457	115,815	15.07	5,163	38,505	13.41
1944	198	362	54.70	1,038	7,711	13.46	21,069	118,006	17.85	7,502	73,677	10.18
1945	1,252	2,529	49.51	1,260	8,773	14.36	33,008	170,234	19.39	11,347	112,430	10.09
1946	5,341	15,819	33.76	1,980	15,692	12.62	60,854	334,444	18.20	16,626	156,996	10.59
1947	4,623	15,686	29.47	3,186	23,304	13.67	39,468	207,728	19.00	15,784	231,207	6.83
1946—July	534	1,585	33.69	187	1,489	12.56	5,396	28,504	18.93	1,562	14,353	10.88
August	539	1,607	33.54	224	1,745	12.84	5,227	28,868	18.11	1,311	14,598	8.98
September	447	1,298	34.44	175	1,327	13.19	5,250	29,438	17.83	1,641	16,937	9.69
October	547	1,661	32.93	176	1,454	12.10	5,490	28,934	18.97	1,188	14,514	8.19
November	673	1,938	34.73	205	1,593	12.87	6,600	33,182	19.89	922	10,322	8.93
December	695	2,118	32.81	193	1,551	12.44	5,706	31,337	18.37	1,356	12,709	10.67
1947—January	799	2,581	30.96	228	1,664	13.70	4,770	23,214	20.55	1,537	17,357	8.86
February	512	1,770	28.93	233	1,741	13.38	3,627	16,962	21.38	1,386	16,071	8.62
March	585	1,927	30.36	238	1,819	13.08	3,489	16,116	21.65	1,485	18,875	7.87
April	549	1,902	28.86	264	1,937	13.63	3,071	14,791	20.76	1,380	17,401	7.93
May	307	1,083	28.35	328	2,236	14.67	2,510	12,486	20.10	1,362	18,708	7.28
June	322	1,224	26.31	311	2,112	14.73	2,389	13,613	17.55	1,148	16,415	6.99
July	303	1,020	29.71	321	2,284	14.05	2,509	12,071	20.79	1,186	17,198	6.90
August	250	914	27.35	264	1,853	14.25	2,625	12,652	20.75	1,050	16,982	6.18
September	345	1,272	27.12	212	1,710	12.40	3,504	18,393	19.05	1,182	20,141	5.87
October	225	673	33.43	279	2,066	13.50	4,365	23,439	18.62	1,219	21,024	5.80
November	226	732	30.87	255	1,891	13.48	3,497	19,850	17.62	1,179	21,513	5.48
December	199	586	33.96	253	1,990	12.71	3,112	24,141	12.89	1,671	29,520	5.66

NOTE —Dollar figures are rounded and will not necessarily add to totals

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census showing quantity and value of merchandise imported. Total estimated duties and total value of dutiable imports will be found in table 84. For figures back to 1890 see annual reports for 1930 p 525, 1932 p 383 and corresponding tables in subsequent reports.

[2] Taxes collected on dutiable commodities under revenue acts and Sugar Act of 1937 are included in appropriate schedules

TABLE 86—*Number of entries of merchandise, fiscal years 1947 and 1948*

Type	1947	1948	Percentage increase, or decrease (—)
Consumption entries	497 019	528,878	6 4
Warehouse and rewarehouse entries	44 815	47 932	7 0
Warehouse withdrawals	[r] 130,803	169 118	29 [illegible]
Mail entries	548,332	642 528	17 2
Baggage entries	1 266 030	1 303 484	3 0
Informal entries	554 208	665 327	20 0
Appraisement entries	17 107	18 487	8 1
All others	[r] 551 298	601 800	9 2
Total	3 609 708	3 977,554	10 2

[r] Revised

TABLE 87—*Number of vehicles and persons entering the United States, fiscal years 1947 and 1948*

Kind of entrant	1947	1948	Percentage increase or decrease (—)
Vehicles			
Automobiles and busses	14 808 912	16,328,990	10 3
Documented vessels	48 005	51 376	7 0
Undocumented vessels	19 467	19 422	— 2
Ferries	107,733	112 295	4 2
Passenger trains	33,592	33 999	1 2
Freight cars	2,511,500	2 422 878	—3 5
Aircraft	68 330	68,880	8
Other vehicles	551 370	534 707	—3 0
Passengers by			
Automobiles and busses	47 048,139	50 621,756	7 6
Documented vessels	547 708	641,262	17 1
Undocumented vessels	66 656	60 501	—0 2
Ferries	2,427 926	2 562,708	5 0
Passenger trains	2,708,780	2 083 157	—23 1
Aircraft	879 455	909,723	3 4
Other vehicles	5 054 560	5 213 447	3 1
Pedestrians	20 214 320	19 709 614	—2 2
Total passengers and pedestrians	78,947 553	81,802,168	3 7

TABLE 88*—*Number of airplanes and airplane passengers entering the United States, fiscal years 1947 and 1948*

District	Airplanes		Airplane passengers		Percentage increase, or decrease (—)	
	1947	1948	1947	1948	Air planes	Pas-sengers
Northern Border						
Maine	1 112	1 007	7 718	3 053	—0 4	—52 7
Vermont	3 087	2 279	26, 801	17 401	—26 2	—35. 1
Massachusetts	1 782	2, 506	22, 758	30 745	40 0	35. 1
New York	9 891	12 260	213 787	252, 109	24 0	17 9
St Lawrence	1, 263	1 131	6 666	5, 285	—10 5	—20 7
Buffalo	1 908	2 204	15 000	14 705	15. 5	—2 6
Maryland	057	1 198	17 042	15 633	25 2	—8 3
Michigan	937	2, 794	1 098	4 062	198 2	271 0
Chicago	1, 181	848	12, 018	10 113	—28 2	—15 0
Cleveland	1 153	991	7 320	7 173	—14 1	—2. 1
Duluth [1]	557	790	1 440	2 240	41 8	55 0
Dakota	1 220	1, 233	10 803	10 024	3	—7 2
Montana	1 638	1 652	15 888	17 156	9	8 0
Washington	2, 902	3 102	27 140	23, 886	8 7	—12. 0
Other	1 094	1 274	9 863	13 179	16 5	33 6
Total	30 781	35 278	395, 451	427 350	14 0	8 1
Southern Border						
Los Angeles	1 213	1 420	26, 529	28 628	17 1	7 0
San Diego	943	1 073	2 210	2, 926	13 8	82. 4
El Paso	618	748	6 730	9, 613	21 0	42 7
Laredo	3, 648	3 684	46 310	37, 010	1 0	—20 1
Galveston	571	460	8 777	12 053	—18 4	37 8
Nogales [1]	680	1 308	4 819	9, 158	90 7	90 0
New Orleans	733	947	16 952	19 733	29 2	16 4
Florida	22, 492	18, 044	311 750	287 019	—19 8	—7 9
Other	123	144	3, 199	6 805	17 1	118. 0
Total	31 027	27 834	427, 192	412 045	—10 3	—3 3
Alaska	3 103	2 317	10 010	13 151	—26 7	33 9
Hawaii	3 305	3, 451	80, 902	56 268	2 0	52 5
Total	6, 528	5 768	50 812	69 419	—11 6	22 2
Grand total	68, 336	68, 880	879 455	909 723	8	3 4

[1] Shown separately for the first time

TABLE 89 —*Drawback transactions, fiscal years 1947 and 1948*

Transactions	1947	1948	Percentage increase or decrease(−)
	Number	*Number*	
Drawback entries received	9,019	11 616	28 3
Drawback notices of intent			
Originating in the district	130 812	162 679	24 4
Received from other districts	76 128	92,332	21 3
Forwarded to other districts for disposition	73 047	83 944	14 9
Certificates of manufacture received	4 850	6 355	41 3
Import entries used in drawback liquidations	7 641	9 303	21 3
Certificates of importation issued	3 333	4 059	21 8
Drawback allowed	*Amount*	*Amount*	
Manufactures from imported merchandise	$10 617 025 15	$10 252 189 41	−3 4
Duty paid on merchandise exported from continuous customs custody	21 639 75	17 358 20	−19 8
Merchandise which did not conform to sample specifications and returned to customs custody and exported	76 830 34	146 887 58	91 2
Imported materials used in the construction and equipment of vessels built for foreigners	-	13 629 34	
Total drawback allowed	10 715 495 24	10 430 064 53	−2 7
Internal revenue refund on account of domestic alcohol	914 094 32	1,357,193 13	48 5
Total	11 629,590 06	11 787,257 66	1 4

TABLE 90 —*Principal commodities on which drawback was paid, fiscal years 1947 and 1948*

Commodity	1947	1948	Percentage increase or decrease (−)
Sugar	$5 218,498.82	$2,457 348 25	−53 0
Wool	1 408,043 39	1 725 464 11	22 6
Aluminum, crude foil and manufactures	59 576 10	1 374,883 93	2,207 8
Tobacco, unmanufactured	420 344 11	789 027 59	87 7
Copper	389 760 60	011 956 27	57 0
Petroleum, crude	479 446 18	571,781 34	19 3
Manganese	208,244 49	400 474 41	92 3
Skins and skin plates	137 541 34	389 041 44	182 9
Zinc ore, blocks and manufactures	171 008 35	255 007 59	49 0
Lead ore matte, pigs	104 329 55	178,491 85	71 1
Coal tar products	480 675 96	164 579 80	−65 8
Tungsten ore and powder	235 203 00	148,955 80	−36 7
Tires and tubes rubber and synthetic	101 029 61	133 329 03	32 0
Nickel	154,985 86	124 417 62	−19 7
Watch movements and parts	28 304 45	108,887 31	284 7
Carpets and rugs	73 345 32	57,793 68	−21 2
Cork discs	33,169 71	51,970 23	56 7
Wool fabrics	5,801 03	43 122.35	643 4
Cotton cloth	42 018.96	41 043 90	−2 3
Barley	5 260 21	37,988.35	622 2
Bauxite ore	105,288.49	34 895 13	−66 9
Ferrocerium	30 224 64	32,993 59	9 2
Burlap	9 310 53	32 251 53	246 4
Machinery and parts	15,370 63	25 442.09	65 5
Automobile and parts, and aircraft parts	20,746 09	23,103 71	11 4
Ferromanganese	11 271 24	21 557 86	91 3
Opium	30,148.77	14 683 28	−51 8
Animal fats and oils (including tallow, inedible)	40,139 69	14 270 44	−64 4
Explosives fireworks and ammunition	257 505 25	12,611 45	−95 1
Quicksilver or mercury	16 340 93	9 426 55	−42 3
Pigments, paints and varnishes	15,668 65	8 833 62	−43 7
Cotton unmanufactured	20 443 33	7 883 75	−61 4
Casein	12,270 50	7,010 42	−42 9

TABLE 91.—*Seizures for violations of the customs laws, fiscal years 1947 and 1948*

Seizures	1947	1948	Percentage increase or decrease (—)
Automobiles and trucks			
Number [1]	685	440	—30 7
Value	$593 057	$530 703	—10 5
Aircraft			
Number [1]	2	7	250 0
Value	$6,500	$87,400	1,244 6
Boats			
Number [1]	40	10	—52 5
Value	$3 390,701	$182,700	—94 0
Narcotics			
Number	1 187	1 363	14 8
Value	$272 681	$272 497	—0 1
Liquors			
Number	5 509	5 105	—8 8
Gallons	87 108	152 279	74 6
Value	$291 608	$1 864 054	539 2
Prohibited articles (obscene, lottery etc)			
Number	1 515	2 550	68 9
Value	$14,790	$1 508,370	10 702 8
Other seizures			
Number	12 590	18 585	7 8
Value			
Cameras	$20 340	$12 009	—40 5
Edibles and farm products	63 000	54 433	—13 0
Furs—skins and manufactured	48 978	52 481	7 2
Guns and ammunition	34 121	19 042	—44 2
Jewelry including gems	694 404	1 057 725	52 3
Livestock	7 523	12 714	69 4
Tobacco and manufactures of	27 892	22 224	—20 3
Watches and parts	44 401	81 805	84 4
Wearing apparel	120 100	66 410	—44 7
Miscellaneous	1 295 435	1 293 313	—0 2
Total value of other seizures	2 356,200	2 672 306	13 4
Grand total			
Number [1]	20 900	22 612	8 2
Value	[r] $6,925,603	$7 208 096	4 1

[r] Two aircraft valued at $6 500 included

[1] Total number of seizures does not include number of automobiles trucks aircraft, and boats seized, since these are frequently seized in connection with seizures of liquor narcotics, etc

TABLE 92.—*Seizures for violations of customs laws, classified according to agencies participating, fiscal year 1948*

Seizures	By Customs officers	By other agencies	Joint seizures by Customs and other agencies	Total
Automobiles				
Number [1]	324	27	4	355
Value	$317,478	$20 280	$3 050	$340,808
Trucks				
Number [1]	72	5	8	85
Value	$170 275	$6 085	$4 535	$180 895
Aircraft				
Number [1]	7			7
Value	$87,400	-		$87 400
Boats				
Number [1]	17	2		19
Value	$165 700	$17 000		$182 700
Narcotics				
Number	1 343	16	4	1,363
Value	$268,083	$3 342	$1,072	$272 497
Liquors				
Number	5 047	58		5 105
Gallons	152 221	58		152 279
Value	$1 863 244	$810		$1 864 054
Prohibited articles				
Number	2 538	21		2 559
Value	$1 508 313	$63		$1,508 376
Other seizures				
Number	13 449	111	25	13 585
Value	$2 656 474	$14 430	$1 462	$2 672 366
Total seizures				
Number [1]	22 377	206	29	22 612
Value	$7 135 967	$62 010	$10 119	$7 208 096

[1] Total number of seizures does not include number of automobiles trucks aircraft, and boats seized, since these are frequently seized in connection with seizures of liquor narcotics etc

TABLE 93 —*Investigation and patrol activities, fiscal years 1947 and 1948*

Activity	1947	1948	Percentage increase or decrease (−)
Investigations of violations of customs laws			
Undervaluation	1 001	1 362	36 1
Marking violations	32	33	3 1
Baggage violations	2 217	1 620	−26 9
Diamond and jewelry smuggling	794	590	−25 7
Narcotic smuggling	1 467	1 450	− 7
Other smuggling	1 400	1 075	−23 2
Touring permits	1 239	1,263	1 9
Other investigations			
Alleged erroneous customs procedure	175	145	−17 1
Drawback	1,075	1 054	53 9
Classification and market value	1 089	854	−21 6
Application for customhouse brokers' licenses	138	160	15 9
Application for bonded truckman s license	292	161	−44 9
Petitions for relief from additional duty	818	757	−7 5
Personnel	499	448	−10 2
Navigation violations	421	400	−5 0
Pilferage of merchandise	420	197	−53 1
Miscellaneous	2 011	1 861	−7 5
Examination of customhouse brokers records	228	205	−10 1
Cases of cooperation with other agencies	2 324	1,833	−21 1

TABLE 94 —*Summary of customs collections and expenditures, fiscal year 1948*

[On basis of accounts of the Bureau of Customs]

Collections [1]	Amount		Appropriations and expenditures	Amount	
Customs collections					
Duties on imports		$420 897, 082	Appropriation "Collecting the revenue from customs'		
Miscellaneous collections (fines, penalties, etc)		4 028, 287	Regular	$32, 925 000	
Total		425 825 969	Less advanced fund	300 000	
			Net appropriation		$32 625 000
Collections for other departments, bureaus, etc			Expenditures obligations incurred by		
Internal revenue taxes	$112, 880, 326		Collectors of customs	23 807 915	
Sale of publications	328		Appraisers of merchandise	3 732 585	
Department of the Navy	80, 303		Chief chemists	494 606	
Public Health Service	663 437		Comptrollers of customs	985 121	
Department of Justice	2 613 075		Agency service (investigation and patrol)	2 021 047	
Department of Interior	967		Administrative	1 131, 582	
Federal Communications	5 094	116 252, 530			32 262 856
Total collections		542, 078, 499	Balance of appropriation		362 144
			Appropriation "Refunds and drawbacks		19, 500, 000
			Expenditures for refunds drawbacks, and minor payments of a similar nature		19, 050 283
			Balance of appropriation		440 717

[1] Excludes duties and sale of insular property for Puerto Rico, but includes other Puerto Rican collections

MISCELLANEOUS

TABLE 95 —*Expenditures for Federal aid to States, individuals, etc (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1948*

Appropriation titles	1920	1930	1940	1948
I APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS				
DEPARTMENT OF AGRICULTURE				
Payments to States and Territories for agricultural experiment stations (7 U S C 301–308, 361–386f, 369a, 427–427g)	$1 440 000	$4 335 000	$6 848, 149	$7, 151, 605
Cooperative agricultural extension work (7 U S C 301–308, 341–348 343c–343e, 343f 343g)	4 471, 594	7, 539 786	18 458 267	26, 205 864
Payments to States and Territories from the national forests fund (16 U S C 500)	1 069 887	1, 565 032	1, 192, 370	4, 576, 760
Payments to school funds Arizona and New Mexico (act June 20, 1910, 30 Stat 501 573, secs 6, 24)	78 867	41, 248	23 555	49 217
National school lunch program (act June 22, 1940 60 Stat 290)	-			65 116, 375
Exportation and domestic consumption of agricultural commodities (act Aug 24 1935 49 Stat 774, sec 321 as amended)				35 003 473
Forest fire cooperation (16 U S C 564–570)		1, 383 041	1 087 538	8 790 582
Cooperative farm forestry (16 U S C 567–568b) Cooperative distribution of forest planting stock (16 U S C 567)		139 196	90 382	303 050
Payments to counties from submarginal land program (7 U S C 1012)				390 524
Research and Marketing Act of 1946 (act Aug 14 1946, Pub Law 733)				2 410 490
Total	7, 060 348	15 003 208	28 600 211	149 098, 540
DEPARTMENT OF COMMERCE				
Federal aid airport program, Federal Airport Act, Civil Aeronautics Administration (act May 13, 1946 60 Stat 171)				5 148 889
DEPARTMENT OF THE INTERIOR				
Payments to States from receipts under Mineral Leasing Act (30 U S C 191)		1 387, 838	2 151, 654	5, 664 061
Payments to States under Grazing Act June 28, 1934 public lands (43 U S C 315i) Payments to States under Grazing Act, June 28 1934, Indian ceded lands (43 U S C 315j)	-	-	503 976	517, 197
Federal aid, wildlife restoration (act Sept 2, 1937, 50 Stat 917)	-	-	451 299	2 520 975
Payments to counties from receipts under Migratory Bird Conservation Act (16 U S C 715s)	-	-		135, 569
Payments to States of 5% of proceeds of public lands (receipt limitation) (31 U S C 711, par 17 annual appropriation provided for 1942, act June 28 1941, 55 Stat 310)	-	18 292	602	-
Coos Bay wagon road grant fund (act Feb 26, 1919 40 Stat sec 5)		43 613	(1)	-
Revested Oregon and California Railroad and reconveyed Coos Bay wagon road grant lands, Oregon (reimbursable) (act Aug 28 1937, 50 Stat 874)		-	142 041	-
Payment of proceeds of sales of Coos Bay wagon road grant lands and timber (receipt limitation) (act Feb 26, 1919, 40 Stat 1179)			12 771	
Payments to Coos and Douglas Counties Oreg, in lieu of taxes on Coos Bay wagon road grant lands (act May 24, 1939, 53 Stat 753)	-	-	221	2 826

Footnotes at end of table

TABLE 95.—*Expenditures for Federal aid to States, individuals, etc (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1948*—Continued

Appropriation titles	1920	1930	1940	1948
DEPARTMENT OF THE INTERIOR—continued				
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (act June 9, 1916, 39 Stat 222, sec 10 and various supplemental acts additional annual appropriation provided for 1939 act June 25 1938 52 Stat 1129)		$970, 387	$313 845	$1 442 121
Payment to counties, Oregon and California grant lands (50%)				
Payment to counties in lieu of taxes on Oregon and California grant lands 25 per centum fund (25%) (act Aug 28 1937 50 Stat 875)				
Payment to Oklahoma from royalties oil and gas south half of Red River (receipt limitation) (act Mar 4, 1923, 30 U S C 233)		41, 778	8 786	
Payments to States from potash deposits, royalties and rentals (act Feb 7, 1927, secs 5 and 6) (30 U S C 149, 285, 286)			49, 256	316, 195
Payment to Alaska under Alaska Game Law (48 U S C 199, Subdiv K)			20 281	48, 260
Payments to Arizona and Nevada for Colorado River Dam fund Boulder Canyon Project (43 U S C 617a, f)				600, 000
Total		2, 470 908	3 654, 726	11 247 204
DEPARTMENT OF LABOR				
Grants to States for Public Employment Offices United States Employment Service (act July 26 1940 60 Stat 984)				05 888 405
Promotion of welfare and hygiene of maternity and infancy		[1] 0 522		
Total		9 522		65 888 105
DEPARTMENT OF THE ARMY				
Payments to States Flood Control Act of 1938 as amended (52 Stat 1221–1222)				207 020
INDEPENDENT ESTABLISHMENTS				
Federal Security Agency				
Colleges for agriculture and the mechanic arts (7 U S C 321–343g)	$2, 500, 000	2 550, 000	2 550 000	5 030, 000
Further endowment of colleges of agriculture and the mechanic arts (7 U S C 343e–343g, 54 Stat 582)			2, 480, 000	
Cooperative vocational education in agriculture (20 U S C 11–30)	707 130	3 151, 340	[3] 10 730	
Cooperative vocational education in trades and industries (20 U S C 11–30)	780 006	2, 956, 295	[3] 9 787	
Cooperative vocational education, teachers, etc (20 U S C 11–30)	619, 556	1 029 078	[3] 10, 000	
Cooperative vocational education in home economics (20 U S C 11–30)		248, 957	[3] 18, 431	
Cooperative vocational education in distributive occupations (20 U S C 11–30)		-	[3] 10, 000	
Cooperative vocational rehabilitation of persons disabled in industry (29 U S C 31–45b)		735 610	2, 082 108	26, 387, 207
Further development and promotion of vocational education (20 U S C 15h–15p, 54 Stat 583, 29–30, 29 U S C 31–35)			10, 384, 014	
To promote the education of the blind (American Printing House for the Blind) (20 U S C 101, 102)	30, 000	75 000	115, 000	125, 001
Mental health activities Public Health Service (act July 3, 1947, 61 Stat 269)				1 653, 454
Expenses, Division of Venereal Diseases, Public Health Service (42 U S C 24 25 52 Stat 439, 440)			4, 188 399	12 608 118
Control of tuberculosis, Public Health Service (act July 1, 1944 58 Stat 693, sec 314 (b))				6, 688, 854

Footnotes at end of table.

TABLE 95 —*Expenditures for Federal aid to States, individuals, etc (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1948*—Continued

Appropriation titles	1920	1930	1940	1948
INDEPENDENT ESTABLISHMENTS—continued				
Federal Security Agency—Continued				
Assistance to States, general Public Health Service (act July 1 1944, 58 Stat 693, sec 314 (c)) Grants to States for public health work Social Security Act, Aug 14, 1935 (42 U S C 801-803)			$9 500 706	$11 172 805
Payments to States for surveys and programs for hospital construction Public Health Service (act Aug 13, 1946 60 Stat 1040-49) Grants for hospital construction, Public Health Service (act Aug 13, 1946 60 Stat 1040-40)	-			957 322
Payment to States, United States Employment Service (29 U S C 49-491)	-		3 366,606	
Grants to States under Social Security Act Social Security Board (42 U S C 301-306, 1201-1206)	-		320 303 433	718,358 842
Grants to States for Unemployment Compensation Administration Social Security Board (act Aug 14 1935 49 Stat sec 301, 302)				67 721 807
Payment to States, Vocational Rehabilitation Act, as amended, Office of Vocational Rehabilitation (act July 3 1945 59 Stat 374)	-			21 687 620
Grants to States for maternal and child welfare services of the Social Security Act, Aug 14, 1935 as amended (42 U S C 701-731)			[4] 9 880 706	21 429 058
Total	$4 636 732	$10 746 289	382 584 014	803 319 676
Federal Works Agency				
Cooperative construction of rural post roads (23 U S C 21, 54) (see also items of similar type under class II)	20 305 623	77 887 693	150 470	-
Federal-aid highway system (23 U S C 1-24, 41 21a, 23a 41a)	-		105 351 358	23 362,565
Federal aid secondary or feeder roads (act June 16 1936, 49 Stat 1521, sec 7)			18,355 130	5 502 128
Elimination of grade crossings (act June 16, 1936, 49 Stat 1521 sec 8)			29 521 720	9 806 541
Public lands highways (act June 16 1936, 49 Stat 1520 sec 3)			2,128 682	220 949
Federal aid postwar construction program (acts Dec 28 1945, 59 Stat 638, and Mar 26 1946, 60 Stat 70)			-	263 224 020
Total	20 305,623	77 887 693	155 507 360	302 236 203
Housing and Home Finance Agency				
Annual contributions, Federal Public Housing Authority (42 U S C 1410)				3 335 655
United States Housing Authority fund (42 U S C 1404 (d), 1418 50 Stat 889, 897 sec 4 (d), 18)			1 386 132	
Total			1 386 132	3 335 655
Federal Power Commission				
Payments to States under Federal Power Act (16 U S C 810)		12,875	19,336	25 537
Interdepartmental Social Hygiene Board				
Payments for prevention and research, venereal diseases (41 Stat 888)	1,759 263			-
U S Maritime Commission				
State marine schools, act Mar 4, 1911 (34 U S C 1121)	[5] 170 689	[5] 50,000	[5] 140 036	153 090

Footnotes at end of table

TABLE 95.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1948*—Continued

Appropriation titles	1920	1930	1940	1948
INDEPENDENT ESTABLISHMENTS—continued				
Veterans' Administration				
(Annual appropriations under title "Salaries and expenses Veterans Administration.")				
State and territorial homes for disabled soldiers and sailors (24 U S C 134)	$1 094,584	$575 206	$978 767	$1 732,115
Supervision of on the job training (act June 22 1944 58 Stat 290)				5,303 031
Administration of unemployment and self employment allowances (act June 22 1944, 58 Stat 290)				24 133 354
Total	1 094 584	575,206	978 767	31 168 500
Total class I	35 033,289	106 755 791	572,870 641	1 463 228 785
II APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS ETC WITHIN THE STATES				
DEPARTMENT OF AGRICULTURE				
Cooperative construction etc, of roads and trails national forests (act July 11, 1916, 39 Stat 358)	1 690 044	(6)	(6)	
Federal forest road construction (act Feb 28 1919 40 Stat 1201)	2 559 518	(6)	(6)	
Forest roads and trails (23 U S C 23 23a) / Forest reserve fund roads and trails for States (16 U S C 501)		7,961,032	11,478 686	
Cooperative fire protection of forested watersheds of navigable streams (16 U S C 563)	86 887			
Conservation and use of agricultural land resources (act Feb 29, 1936 16 U S C 590G-590q) / Administration of Sugar Act of 1937 (7 U S C 1100-1183)			552 042 804	290 201 082
Total	4,336 444	7 961 032	563 521 490	290 201 082
TREASURY DEPARTMENT				
Public Health Service [7]				
Preventing the spread of epidemic diseases	495,793	273 330		
Interstate quarantine service	5 098	71 117		
Studies in rural sanitation	64 528	345 159		
Total	565 419	689 606		
DEPARTMENT OF THE ARMY				
National Guard (32 U S C 21 22)	2 663,485	31,987,927	71 019 749	64 340,109
Maintenance and improvement of existing river and harbor works (act July 24, 1946, 60 Stat 637 Sec 6) / Flood control general (act July 24, 1946, 60 Stat 637, Sec 6)				943,765
Total	2 663 485	31,987,927	71 019 749	65 283 874

Footnotes at end of table

TABLE 95 —*Expenditures for Federal aid to States, individuals, etc (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1948*—Continued

Appropriation titles	1920	1930	1940	1948
INDEPENDENT ESTABLISHMENTS—continued				
Federal Security Agency				
Civilian Conservation Corps (16 U S C 584-584q, 54 Stat 581)			$270 856 832	
Operating expenses, National Cancer Institute Public Health Service (act Apr 19, 1946, 60 Stat 106)				$2 154 779
Reconversion unemployment benefits for seamen Social Security Administration (act Aug 10 1946, 60 Stat 982)			-	3 280 296
Total			270 856 832	5 435 075
Federal Works Agency				
Forest highway construction (Sec 19 (a), act Dec 20 1944 58 Stat 838-843)				9 035 641
Construction services, Public Buildings Administration (act June 15, 1938 40 U S C 265)			-	510 939
Total				9 546 580
Veterans' Administration				
Veterans' miscellaneous benefits, Veterans' Administration (act Mar 24, 1943, 57 Stat 43) Readjustment benefits, Veterans' Administration (act June 22 1944, 58 Stat 284)				3 584 666 608
Total class II	$7,565,348	$40 638 565	905,398 971	8 955 183,210
Grand total	42 598,637	147 304 356	1 478,268 712	5 418 362,004

NOTE —Figures are rounded to nearest dollar and will not necessarily add to totals

[1] Special fund account repealed as a permanent appropriation, effective July 1 1935 by sec 4 of the Permanent Appropriation Repeal Act, June 26 1934 (48 Stat 1227) Annual appropriation provided for same object under the account immediately following

[2] Activities under this caption expired June 30, 1929

[3] Deduct represents net repayments These accounts were discontinued, but their functions are continued under the two accounts immediately following

[4] Stated under Department of Labor for 1940

[5] Stated under Navy Department for 1920, 1930, and 1940

[6] These accounts consolidated with combined accounts immediately following

[7] Beginning July 1, 1939, expenditures of Public Health Service stated under Federal Security Agency

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1948*

[The Treasury Department for general information has compiled from figures furnished by the departments and establishments concerned the following statement exhibiting by States and Territories the amounts paid to or within each under the appropriations for Federal aid to States shown under classes I and II in the preceding table]

PART A GRANTS TO STATES AND LOCAL UNITS

State	Department of Agriculture						
	Agricultural experiment stations—Regular grants (1)	Agricultural extension work—Regular grants (2)	Forest fire cooperation etc [1] (3)	National school lunch program — Regular grants (4)	Research and Marketing Act of 1946—Regular grants (5)	Exportation and domestic consumption of agricultural commodities [3] (6)	National forests fund [4]—Shared revenues (7)
Alabama	$179 424	$1 037 827	$284,791	$2 522 255	$71 160	$1 610 949	$33 578
Arizona	104 392	150 347		388 368	20 405	182 627	245 199
Arkansas	157 747	812 814	150 016	1 718 029	62 577	727 550	160 640
California	178 718	023 083	1,475 025	2 318 704	50 000	1 323 943	474 416
Colorado	114 243	325 553	37 100	554,589	89 071	245 316	183 258
Connecticut	111 959	153 811	70 857	441 305	20 205	270 498	
Delaware	95 622	80 308	7 808	92 297	14 151	113 017	
District of Columbia				00 271		40 803	
Florida	127 081	271 737	433 433	1 084,949	32 373	710 250	53 797
Georgia	184 500	1 034 325	223 030	2 623 728	75 278	1 068 098	56 102
Idaho	105 405	233,539	148,252	272 784	31,302	108 411	304 190
Illinois	183 842	705 823	32 069	2 205 127	75 330	2 021 048	13 662
Indiana	158 142	590 110	07 208	1 612 585	52 053	516 938	1 100
Iowa	150 804	741 137	13,530	1 048 771	84 244	547 508	300
Kansas	143 592	547 213	4 013	780 407	38,012	376 612	
Kentucky	178,328	915 051	32,578	2 151 860	60 202	1 020 848	23 274
Louisiana	151 211	684 764	243 504	2,029 600	53 880	825 486	43 258
Maine	112 408	101 436	130 630	367 061	37 404	158 285	1 343
Maryland	122 781	260 440	121 006	774 382	20 028	403 401	
Massachusetts	110 231	163 454	142 343	1 200 770	24 626	1 010 445	
Michigan	169 697	080 003	460 467	2 112 366	61 750	1 145 822	62 232
Minnesota	152 641	984 427	321 662	1 232 540	60 580	821 555	78 331
Mississippi	168 611	1,052 846	210,903	1 88 855	87 407	096 336	121 824
Missouri	173 178	800 745	114 337	1,406 820	07,070	942 392	14 738
Montana	106 087	221 233	80 203	225 312	21 057	10[illegible] 703	105 834
Nebraska	131 565	409 710	6 602	534 150	34,272	278 03[illegible]	5 822
Nevada	92 063	108 121	13 116	49 867	11 309	55 027	25,332
New Hampshire	00 216	114 178	85 864	206 016	16 751	133 457	19,223
New Jersey	123 805	207 544	163 501	1 141 033	38 500	924 185	
New Mexico	105 726	233 142	2 931	387,736	24 187	231 341	108 307
New York	190 812	667 550	228,636	3 732 784	75 346	2 710 452	
North Carolina	204 026	1 222,990	240 678	3,215,423	00 209	1,526,237	53 177
North Dakota	116 411	345 217	4 870	253,014	24 650	55 300	32
Ohio	191,527	853 921	90 696	2 771 447	63 723	1,002 333	3 745
Oklahoma	103 409	787 485	62 218	1,318 431	51 766	667 552	11 009
Oregon	114 690	202 821	764 052	463 451	83 774	416 879	938 870
Pennsylvania	236 600	754 327	208 877	2,626 710	78 857	1,551 624	25 960
Rhode Island	92,356	50 581	41 289	240 946	18 997	123 693	
South Carolina	154 345	729 516	342 658	2 018 308	66,628	004 334	66 399
South Dakota	116 083	358 247	9 551	10 918	26 858	116 924	72 357
Tennessee	173 564	903,544	111 750	2 128 738	68 409	1 070 536	30 988
Texas	251 280	1,630 571	152 741	3 948 463	131 518	1,622 225	102 842
Utah	101 337	185 783	24 940	559,578	25,455	444 454	91 874
Vermont	101 275	151 711	28 953	178,957	15 565	72 327	26 415
Virginia	167,043	760,639	235 746	1,841 765	55 970	1,048 009	35 986
Washington	126 626	354,492	770 630	702 009	44 279	414 078	737 870
West Virginia	150 514	483 846	180 040	1,432,361	39 011	775,752	27 768
Wisconsin	155,180	602,147	332 873	1 206 885	58 002	436 418	82 636
Wyoming	07,294	167 682	2,122	136 581	22,685	33,945	101 344
Alaska		23 050		11 666			37 108
Hawaii	05 750	150 253	8,406	153,860	14,225	215 030	
Puerto Rico	147 648	877,309	4 460	2,230,859	48 042	816 088	4,218
Virgin Islands				43,681		30,477	
Advances and other undistributed							
Total	7 151 605	26,205 864	9 094 232	65 116 375	2,410 400	35 003 473	4 625 077

NOTE—This table does not include Federal payments to State and local governments for State and local taxes or in lieu of such taxes on federally owned property as follows Housing under supervision of Public Housing Administration, including (*a*) Defense and war housing constructed under Lanham Act (42 U S C 1521) and other acts, (*b*) resettlement and rehabilitation authorized by act of June 29 1936 (40 U S C 431), and (*c*) certain low rent housing authorized by U S Housing Act of 1937 as amended (42 U S C 1401) and housing and other property owned by Tennessee Valley Authority and certain other Government agencies Figures are rounded and will not necessarily add to totals

[1] Comprises $8,790,582 under forest fire-cooperation and $303 650 under farm and other private forestry cooperation

[2] Includes $13 425 123, value of commodities distributed to schools

[3] Reported on basis of total cost to Government of commodities as delivered during 1948 to distributing agencies

[4] Includes $49,217 payments to school funds, Arizona and New Mexico

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year, 1948*—Continued

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Department of Agriculture—Continued		Department of Commerce	Department of the Interior			
	Submarginal land program, payment to counties—Shared revenues	Supply and distribution of farm labor—Emergency grants	Department of Commerce Civil Aeronautics Administration, Federal airport program—Regular grants	Federal aid, Wildlife Restoration, Fish and Wildlife Service—Regular grants	Payments from receipts under Mineral Leasing Act—Shared revenues	Payments from receipts under Migratory Bird Conservation Act and Alaska game law [5]—Shared revenues	Payments under certain special funds [6]—Shared revenues
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Alabama	$1,304	$1 780	$31 071	$24 753	$30	$177	
Arizona	415	11,542	13 781	43,227	3,858	-	$335 342
Arkansas	29,228	4,008	60,339	40 141	332	4,015	-
California	1,199	114 705	35 228	70 097	1 772,491	730	97,943
Colorado	39,068	57,036	92,080	213 973	689,422		31,455
Connecticut	-	20,027		16 105	-		
Delaware	83	9,304			-	[a] 417	
District of Columbia					-	-	
Florida	8 023	[a] 9 735	31 809	96,952		158	
Georgia	43 484	1,212	148 162	45 577		1 360	
Idaho	2 077	47 691	861 158	67 752	17,272	1 440	45 204
Illinois	2,054	[a] 21 949	870 561	77 075		158	
Indiana		[a] 11 019	37,500	74,035	-	-	
Iowa		2 118	130,619	37,879	-	1 295	
Kansas	9,478	10 005	50,159	4 530	7,156	-	21
Kentucky	89	638	10,966	19 258		881	
Louisiana	14 917		58,804	28,430	8,714	30 664	
Maine		[a] 19,540	62,915	29 813	-	147	
Maryland		[a] 2,014	70 690	21 504		2,045	
Massachusetts		1 827	108 178	17 310		31	
Michigan		95 019	249 238	99,075	07	4 756	
Minnesota	-	20 366	50,732	80,819		8 133	4
Mississippi	25 698	20,799	20,330	23 741	846	2,306	
Missouri	1 888	18,902	170,089	122,464		2,865	
Montana	40 904	4 808	32 300	140 085	284 378	5 235	44 585
Nebraska	7,473	15,540	35 634	88,100	26	0 747	220
Nevada	59	10 700	194,179	2,448	7,393	2,060	372,810
New Hampshire		4 304					
New Jersey		1 487		13 887	-	149	
New Mexico	17,030	[a] 2,892	16 380	143 368	785,054	405	304 430
New York	951	[a] 42 320	43 561	92,954	-	6,151	
North Carolina	3 934	17 335	30 701	41 790		474	
North Dakota	43,907	37 876		34 438	10 264	4 925	845
Ohio		8 127	181 520	74,257			
Oklahoma	5 385	5 470	97 864	8,176	2,330	5 314	134
Oregon	6,661	13,779	11,330	23,872	785	12,040	1,482,001
Pennsylvania	3,205		306 099	58 961	-	-	-
Rhode Island		[a] 1,009		1 011	-		-
South Carolina	10	45,180	56,900	25 823		15	-
South Dakota	39,080	[a] 6 539		45 305	1,994	1 085	2,387
Tennessee		24 273	20,496	44,292	-	877	-
Texas	20 186	159 714	230 850	94 205		5,845	-
Utah	429	13 452	116,958	64 018	209,747	519	64,154
Vermont		10 970		6,004		514	-
Virginia		8,297	82,980	39 656		401	-
Washington		15,047	533 027	51,928	1 272	1 254	2,347
West Virginia	1 263	[a] 4 406		82 650			-
Wisconsin		[a] 72,340	406 684	34 058		10,876	-
Wyoming	20 202	30 084		77 544	1,860 532	38	94 364
Alaska				15,746		48,827	-
Hawaii			68,650	9 181			-
Puerto Rico						-	-
Virgin Islands							-
Advances and other undistributed				-		-	
Total	890 524	591,086	5,148,830	2 520 975	5,664 001	183 829	2,878,339

[a] Deduct

[5] Comprises payments of $135,569 under Migratory Bird Conservation Act, and $48 260 under Alaska game law

[6] Comprises payments of $310,195 to California and New Mexico from potash deposit receipts royalties and rentals $517,114 payments under Grazing Act public lands $83 payments under Grazing Act Indian ceded lands $1 442,121 payments to counties, Oregon and California land grant fund $2 826 payments to Coos and Douglas Counties, Oregon, in lieu of taxes on Coos Bay wagon road grant lands, and $300 000 each to Arizona and Nevada under Colorado River Dam fund, Boulder Canyon project

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1948*—Continued

PART A GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Security Agency						
	Office of Education		Public Health Service				
	Colleges for agriculture and mechanic arts—Regular grants	Cooperative vocational education—Regular grants	Venereal disease control [7]—Regular grants	Tuberculosis control—Regular grants	General health assistance—Regular grants	Mental health activities—Regular grants	Hospital survey and planning [8]—Regular grants
	(15)	(10)	(17)	(18)	(16)	(20)	(21)
Alabama	$102,332	$722 872	$620 810	$151 067	$317,000		$156 681
Arizona	75,698	166 508	51 636	37 984	61,862	$4 785	10 000
Arkansas	92 248	542 950	210 069	102 040	205 960	27 557	15 887
California	148 834	1 677 490	581 011	280 649	531,810	144 551	61 170
Colorado	32 820	217,009	88 579	60 859	104,504	8 552	10 000
Connecticut	89 508	266,275	52 467	115,460	107,503	26 898	5,000
Delaware	73,042	159 690	22 973	35 855	25 765	10 000	
District of Columbia		111 738	130,061	65 388	56,585	11 356	
Florida	01 055	343,550	412,543	107,033	208,145	35,630	177 479
Georgia	105,651	767,180	674 290	255 73.	338 401	30 454	
Idaho	75 000	164 050	63,535	22,185	04,310	5 132	5,255
Illinois	160,131	1,212,675	968 331	246,030	571,939	84 323	50 720
Indiana	109 121	656 718	213 441	122 434	283,139		20,341
Iowa	98 960	567 403	80 236	35 902	154 505	24 200	
Kansas	90,555	394 771	01,459	109 952	150 009	42 677	4,400
Kentucky	102,477	703 253	413 060	217,507	201,726	91,238	20,000
Louisiana	96 079	525 272	405 082	155,853	226 000	61 393	
Maine	70,609	177 010	48 158	33 370	70 001	13 011	3 000
Maryland	00 736	301,014	173,767	100,962	150 359	18 000	14 590
Massachusetts	110 267	541 832	150 193	285,758	304 622	70 870	6,970
Michigan	129 988	003 472	402 813	270 043	392 144	34 621	
Minnesota	101,363	504,718	87 658	113 012	212 935	55 187	
Mississippi	94,024	091 227	658 750	196 507	277 324	71 215	17 316
Missouri	113 194	762 411	255,450	122,457	297 671		7,702
Montana	76 385	164,726	29 016	20,578	55 780	12 637	7,500
Nebraska	85 013	304 890	80 987	47 823	84,222	13 155	10 600
Nevada	71 258	105 026	17,507	8,240	33 811	7 500	10 000
New Hampshire	75,016	153 362	23 464	10 833	53 803	11,619	3,979
New Jersey	117 480	546 647	175,615	129,888	203 332	84 593	26 765
New Mexico	70 670	168 662	127,055	50 114	74 366	6 005	5,000
New York	223 837	1 850 326	531,638	368 801	712,470	76 122	55 500
North Carolina	116 763	017 575	554 753	252 946	366,464	40 558	30 444
North Dakota	77,320	188 180	37,970	78 868	63 426	14 931	7,944
Ohio	148,836	1,171 401	418 856	248,418	491 106	99,143	11 252
Oklahoma	96 666	551,301	260,047	163 613	192,692	58,370	28,320
Oregon	32 487	221 397	75 347	82,635	112,096	24 815	
Pennsylvania	182,990	1 506 156	434,965	231,948	748,429		19 027
Rhode Island	78 141	150,638	29 734	47,657	48 785	9 412	2 000
South Carolina	91 682	498 508	420 454	199,324	222,849	33 980	36 619
South Dakota	77,338	174,426	44 553	34,421	71 304	900	2,000
Tennessee	103,278	713 468	306 373	207 913	266,331	34 042	
Texas	143 212	1 387 175	1,010 132	130,000	565,291	74 898	6 600
Utah	76 281	170,102	47,647	18,747	58 517	14,219	8,000
Vermont	74,100	159 802	19,718	23 243	40 408	6,648	5 000
Virginia	109,561	625 844	227,397	205,669	250,629	60,970	8,353
Washington	89 315	328,008	127 360	85 542	140 431	80,177	23,000
West Virginia	91,707	463,251	230,467	114 275	104,241	42 960	11 250
Wisconsin	105,809	634,126	90 757	180 678	229 072	38,881	35,000
Wyoming	72 802	147,123	18 903	10 367	30 848		
Alaska	50,000		27,896	107 701	42,872	10,000	
Hawaii	74,831	165,000	38 028	88 682	62 440	13,816	
Puerto Rico	50,000	464,031	232,301	108,497	265,788		12 032
Virgin Islands			13,516	10,878	8,506		
Advances and other undistributed							
Total	5,030,000	26,887 207	12,608,118	6,688,354	11,172,895	1,653,454	957,322

[7] Comprises $8 384,692 for venereal disease control and $4,223,426 for rapid treatment facilities
[8] Comprises $565,140 for hospital survey and planning and $392 182 for grants for hospital construction

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year, 1948*—Continued

PART A GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Security Agency—Continued						
	Children's Bureau			Social Security Administration			
	Maternal and child health services—Regular grants	Payments to States under social security program		Emergency maternity and infant care—Emergency grants	Payments to States under social security program		
		Services for crippled children—Regular grants	Child welfare services—Regular grants		Old age assistance—Regular grants	Aid to dependent children—Regular grants	Aid to the blind—Regular grants
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Alabama	$368 461	$285 569	$105 994	$21,634	$8 919 283	$2 526,013	$172 584
Arizona	90 953	91,173	40,134	7 213	8 255 183	875,603	202 061
Arkansas	172,708	227 084	58 890		6,458,783	2,141,621	248 636
California	465 406	293 959	108,395	255 841	56 621 598	5 031 968	2 000 570
Colorado	183,983	117 200	33 311	21 386	12 953 654	1 541 706	120 474
Connecticut	85,585	86,245	27,523	84 689	4 082 187	854 110	35 456
Delaware	66 462	19,495	31 546	12 795	234,257	136 885	32,283
District of Columbia	172,522	67,100	20 204	37 334	630 917	520,250	62,150
Florida	311,009	130,778	62 863	69 007	14 766 648	4 782,792	773 151
Georgia	446 022	194 909	80 806	46 703	11,523 339	2,067 153	382 560
Idaho	110,419	63,298	17 815	7,228	2 770 175	599 130	55 469
Illinois	139 299	212 179	81 345	101 107	32,914 764	7 464,785	1 314,957
Indiana	202,803	106,084	90 401	32 302	11 315 874	2 522 952	482,813
Iowa	72,700	143 820	115,531	105 094	12 680 326	1,435 273	352 303
Kansas	153,770	85 493	61 639	14 024	9 208,618	1 872 875	205 052
Kentucky	360,766	239 914	137 609	29 406	7,056 829	3,203 408	271 168
Louisiana	273 183	175,709	118 079	22,947	9,405 321	3 919 816	333,955
Maine	92,604	57 151	42,158	10 683	3 294,409	773 400	159 677
Maryland	247 003	181,882	58 725	130 948	2 613 629	2,162,184	112 609
Massachusetts	237 153	92,870	25 027	7,020	25 782 737	3 315 328	355 530
Michigan	288,181	193 632	62,915	87 070	24,506 792	6 891 614	418 941
Minnesota	161,473	170,452	100 088	17 909	14 102 949	2 274 013	321 819
Mississippi	370,430	219 678	102 391	38,119	5 419,623	1 227,442	382,857
Missouri	167 802	59 000	115 768	70 793	28 549 803	6,251 914	-
Montana	62,729	85 155	41 310	87 370	2 823 937	618 011	129 368
Nebraska	111 922	90,251	39 813	21,127	6 710 182	1 076 309	133,563
Nevada	38 081	47 634	21 884	942	659 942		
New Hampshire	73 196	23,352	28 063	10 867	1 818,351	422 184	84 942
New Jersey	106 585	150 222	42,758	47 614	6 823 051	1,474 917	196,713
New Mexico	232,609	74 704	39 731	24 626	2 111 584	1,881 356	108 588
New York	297,768	171 070	84,880	280 852	31 914 332	16 453 410	1,178 882
North Carolina	290 764	228 027	106,132	5 287	5,155 138	2,390 230	679 241
North Dakota	73 596	76 539	37 477	5 578	2 283 450	561 518	35 187
Ohio	259,865	207 577	138 719	966	31 999 833	3 494 857	871,807
Oklahoma	107 737	186 013	84,286	34 437	28 218 302	7 795 675	784,319
Oregon	105 247	106 223	31 540	29 130	5 899 951	947,668	110,082
Pennsylvania	370 882	262,003	134 877	60,315	22,658,508	14,298,463	-
Rhode Island	70 286	102 813	30 142	10,836	2 804 796	909 270	39 720
South Carolina	371 279	278 950	80 521	14 839	5 036 636	1 411 949	227,147
South Dakota	65 148	75 198	25 204	18 599	2,680 608	554,695	46 960
Tennessee	385 908	135 921	64 542	1,654	8 381 528	4,905 737	410 251
Texas	502 918	232 758	212 253	4 779	42 604 605	4,515,607	1,362,230
Utah	102,038	127 090	87 379	27 502	3 321 380	904,466	40 860
Vermont	60 652	45,537	34 326	1,150	1,869 205	260,340	45 625
Virginia	283 527	277 153	77 692	55 111	2 533 635	1 500,181	227 670
Washington	151,603	139,410	54,568	49 019	18 909 583	2 665,878	190,087
West Virginia	238,897	184 791	90,073	25 133	8,495 965	3,188 147	158,112
Wisconsin	76 538	161 104	79 747	37 268	11,542,951	2 715 625	844 845
Wyoming	20 202	12,470	19,186	1,383	1,165 489	107,834	32,800
Alaska	132 553	128 012	10,962	1 491	346 173	57 918	-
Hawaii	120,244	136,071	26 155	68,117	488 200	520,338	20 374
Puerto Rico	511 270	171,543	74,336	14,575	-		-
Virgin Islands	50,646	39 128	15,788	-	-	-	-
Advances and other undistributed			-		-	-	-
Total	10 583,832	7,423,003	3 422,221	2,067,485	562 378,583	139,584 402	16,400,857

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid fiscal year 1948*—Continued

PART A GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Security Agency—Con			Federal Works Agency			
	Social Security Admin—Con			Bureau of Community Facilities			
	Payments to States under social security program—Con	American Printing House for the Blind—Regular grants	Office of Vocational Rehabilitation—Regular grants	Public Works advance planning [9]—Emergency grants	Veterans educational facilities—Emergency grants	Community facilities [10]—Emergency grants	Maintenance and operation of schools [11]—Emergency grants
	Unemployment compensation—Regular grants						
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
Alabama	$780 380	$4 610	$472,981	$147 948	$630 121	$2 407	$257,604
Arizona	308 711	018	78 061	108 500	55 136	20,804	102 850
Arkansas	529 367	2 401	304 021	110,378	820 062		132 930
California	9 421 744	2 050	1,594,156	75 463	3,577 040	114 280	8 407
Colorado	223 288	1 071	130 023	5 015	851 342		
Connecticut	1,175 033	852	438 150	74 536	559 816		
Delaware	164,309		177 359	44 185	09 290	[a] 1,420	
District of Columbia	441 381	328		22,759	667,746	211 651	
Florida	725 819	2,578	727,512	180,255	875 416	2 127	
Georgia	751 098	3,540	041 757	207 409	1,413 742	1,042	955 985
Idaho	805 438	303	59 141	27 881	414 070		61 015
Illinois	3 834 598	6 467	1,300 981	848 245	1 888 347	[a] 11 888	7 763
Indiana	1,102 580	2 338	481 122	303 880	1 924 463	[a] 10,719	13 809
Iowa	411 186	3,365	218 318	124 585	1 058 838		1 875
Kansas	482,637	1 636	219,992	14 635	710 956	32 032	162 377
Kentucky	552 311	3 103	264 855	216 143	1 411 928	7 602	1 559
Louisiana	781,414	2,447	406,004	115 553	1,201 670		
Maine	338,400		134 209	14 308	670 051		24,122
Maryland	1 091 098	2 425	248 599	17 508	037 701	7,904	
Massachusetts	3,025 904	5 703	301,877	236 720	1 300 506	12,049	
Michigan	3 832 555	4 960	1,334 830	267 994	1 771 448	[a] 2,103	130 033
Minnesota	880,452	8 071	271,375	162 516	1 663 920		1 356
Mississippi	814 102	2 141	385 885	284,705	802 428	4 764	146 800
Missouri	1,003 576	2,556	540,494	165 238	1,351 077	[a] 24,666	21,724
Montana	285 620	503	149,084	26 788	443 278	20,985	
Nebraska	209 300	896	200,273	41 048	520 556		0 284
Nevada	194 406		18 521	56 734	12 689		0 350
New Hampshire	270 367		59 863	73 223	213 139	-	
New Jersey	3,509 728	1 857	403 013	239 370	1,010 278		1 000
New Mexico	198 874	1 704	86 650	31,604	176 622		
New York	10 941 070	10,182	1 272 948	223 790	3 237 684		10,652
North Carolina	993 748	5 965	826 681	173 717	439 520	1 106	51 250
North Dakota	70 701	655	98 955	21 484	154 356		
Ohio	2,850 377	5 856	595 369	201 978	2 491 304		63,810
Oklahoma	502,729	2 294	895,084	101,880	1 293,748		140,034
Oregon	922 921	2,316	244 165	20 838	878 784	8 622	279 690
Pennsylvania	5 865 279	9,046	1,507 999	226,854	2 519 493	13,645	35 562
Rhode Island	500,598		105,809	7 509	270,269		50 012
South Carolina	379,209	1 529	471 770	127 372	470,021	57 822	187 849
South Dakota	77 574	524	64,140	13,362	818 512		16 813
Tennessee	938,811	3,430	570 626	181 874	901,267	[a] 20 100	141 853
Texas	1,414 883	5 724	1,005 179	233 735	3 032 197	172 523	597,529
Utah	808,851	765	154,031	53 977	208,763	215	
Vermont	206,707		99 821	21 005	209 660		
Virginia	535,335	2,513	381 734	140 957	848,896	446 028	
Washington	1,727 179	1,398	851 307	[a] 40,330	900 179	59 486	783 972
West Virginia	609 865	1,923	436 357	92 787	840,004	4,065	
Wisconsin	008,218	3 546	547 051	87,630	1,611,464		18 035
Wyoming	165 887	-	05,051	31,300	87 574		
Alaska	185 967	-		72 550	26,553	27,889	
Hawaii	133,098	366	149 438	29,934	18,037	129,143	
Puerto Rico		1,529	218,995		853 893		
Virgin Islands	-	-			-	618,338	-
Advances and other undistributed					1 106 799	[a] 638,347	305 019
Total	67 721 807	129,001	21 687 620	5 790 281	51 235 802	1 141 559	4 118 950

[a] Deduct

[9] Repayable advances contingent upon future construction of Public Works projects

[10] Includes $591,070 for Virgin Islands public works

[11] Distribution by States based on allotments

TABLE 96 —*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1948*—Continued

PART A GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Works Agency—Con Public Roads Administration Highway construction Regular grants [12]	Federal Works Agency—Con Public Roads Administration Highway construction Emergency grants [13]	Federal Works Agency—Con Liquidation of Public Works Administration—Emergency grants	Housing and Home Finance Agency Public Housing Administration Federal annual contributions—Regular grants	Housing and Home Finance Agency Public Housing Administration Veterans' reuse housing program—Emergency grants	Department of Labor Public employment offices—Regular grants	Department of the Army Lease of flood control lands—Shared revenues
	(36)	(87)	(88)	(30)	(40)	(41)	(42)
Alabama	$5 415 444	$00 412	$1 755	$33 745	$270 737	$1 501 762	
Arizona	4 449 073	ª 1 038			819 625	554 553	- -
Arkansas	5 481 246	312 420			294 845	021 809	$11 493
California	22 998 397	3 869 754		15 020	9 400 073	0 593 950	54 919
Colorado	3 791 788	72 728			063 915	720 714	2 748
Connecticut	2 408 325	41 180		64 209	851 945	856 230	
Delaware	1 094 600				20 396	147 202	
District of Columbia	1 870 965			54 094	348 695	522 139	
Florida	4 315 010	184 690		18 507	149 892	1 125 004	
Georgia	0 413 792	83 618		43 622	171 171	1 100 720	
Idaho	2 504 565	78 175		10 860	904 113	345 096	
Illinois	8 469 721	06 519	5 200 910	22 743	5 561 235	2 958 237	
Indiana	6 608 952	146 803		19 925	2 303 929	1 390 721	
Iowa	7 385 149	171 022			993 237	802 811	-
Kansas	11 083 894	267 217			362 874	670 521	31 427
Kentucky	6 188 125	19 382		153 398	1,342 840	833 880	743
Louisiana	3 120 570	270 169		618 746	403 385	805 964	562
Maine	1 780 960	35 481			18 327	462 467	-
Maryland	1 402 835	1 172 595		130 585	07 978	1 052 050	341
Massachusetts	3 741 028	01 704		200 842	625 420	1 790 360	349
Michigan	9 750 567	5 138		82,011	4,307 444	3 408 347	-
Minnesota	10 158,622	77 743			1 952 110	1 390 533	240
Mississippi	6 595 705	278 933		36 045	ª 31 192	890 024	17 247
Missouri	7 279 172				1 183 845	1 057 469	39 506
Montana	4 113 803	129 402		0 996	1 781 010	320 601	- -
Nebraska	4 505 247	10 027	513,654	36 671	890 140	532 321	339
Nevada	2 680 370	7 670			232 184	236 201	
New Hampshire	907 583	ª 11 872			66 704	370 192	879
New Jersey	6 806 244	181 928		435,006	2,248 802	2 038 010	
New Mexico	4 866 669	5 141			60 095	331 203	
New York	0 098 930	450 540		522 012	7 310 590	7 827 822	82
North Carolina	• 7 722 497	208 026		75 791	314 160	1 290 192	
North Dakota	3 409 036	8 360			918 779	206 804	
Ohio	7 304 061	346 741	612		0 080 524	3 172 278	4 884
Oklahoma	6 128 666	95,446			2 000 971	895 863	14,779
Oregon	7 011 629	1 093 546			1 611 597	815 014	412
Pennsylvania	17 678 509	392 201		54,034	2,409,495	4 850 285	7 076
Rhode Island	737,714			247	22 660	525 087	- -
South Carolina	4 629,191	77,619	717,792	56,072	287 079	831 306	- -
South Dakota	4 925 307	50 950			268 371	264 209	88
Tennessss	0 583 201	1 000 530		80 694	408 505	1 227 338	2 060
Texas	31,755 714	258 069		259 122	201 333	3 108 202	15,570
Utah	3 445,383	316 333			640 460	476 605	
Vermont	1 411 272	31 288			141 606	258 454	-
Virginia	5 861 148	1,751 512			494 993	969 010	800
Washington	5 552,094	684 723		27 303	1 910 804	1 453,230	1 013
West Virginia	2 600,103	464 682		16 547	904 918	549 085	462
Wisconsin	8 793 133	66,868			922 617	1 217 219	
Wyoming	4 102 600	37 000			1 227 105	105 263	-
Alaska		21,275			690 227	141 039	-
Hawaii	725,760	879,042		8,150	490 925	151 776	-
Puerto Rico	084 337			252,188	15 321	168 150	-
Virgin Islands							-
Advances and other undistributed					ª26 209,513		
Total	308 005 504	15 301 048	6 533 720	3 335,655	41 590 058	65,888 465	207,020

ª Deduct

[12] Comprises $23,302 505 for Federal aid highway system $5,562,128 for Federal aid secondary or feeder roads $9 860,541 for Federal aid grade crossing elimination $263 224,020 for Federal aid postwar construction program $220 949 for public lands highways, $51,123 for flood relief and $778,178 for emergency relief and national industrial recovery funds

[13] Comprises $9 340,021 for access roads, $3 113 147 for strategic highway network $756,407 for advance surveys and plans, $118 596 for flight strips, $1 967,133 for payment of claims, and $95,053 for war and emergency damage (Hawaii)

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year, 1948*—Continued

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Power Commission Payments to States under Federal Power Act—Shared revenues	U. S. Maritime Commission State Marine schools—Regular grants	Veterans Administration: State and territorial homes for disabled soldiers and sailors—Regular grants	Veterans Administration: Supervision of on the job training—Regular grants	Veterans Administration: Administration of unemployment and self employment allowances—Regular grants	Total grant payments (Part A)
	(43)	(44)	(45)	(46)	(47)	(48)
Alabama	$43				$653 707	$29 015 770
Arizona				$47 387	181 086	13 108 708
Arkansas	20			159 320	420 006	23 663 667
California	14 706	$25 000	$356 222	197 820	1 850 235	136 400 584
Colorado	675		21 886	117 321	192 416	24 071 716
Connecticut ᵃ			133 201	137,1 6	211,683	13,382 117
Delaware				22,866	41 703	3 093 701
District of Columbia					172,291	6 310 287
Florida	5			188 548	481 602	34 160 037
Georgia				288,714	654 809	35 515 817
Idaho	1,008		19 786		121 067	10 715 632
Illinois			275,218	210 778	676 855	83 010 232
Indiana			61 655	116 516	350 802	34 156,893
Iowa			46 082	81 236	214 594	30 221 095
Kansas			7 860	65 471	203 967	29 030 251
Kentucky				81 227	450 350	29 081,838
Louisiana				96 527	460 357	28 418 268
Maine		40 510			172 127	9 644 148
Maryland				92 710	204 274	14 829 848
Massachusetts		31 443	109 746	267 468	1,104 988	47 641 276
Michigan	21		134 212	167,322	1 362 411	66 530 859
Minnesota	11		71 083	151,573	461 556	39,040 391
Mississippi	24			75 295	602 510	24,693 726
Missouri	3		17 737	132,796	874 001	54 010 210
Montana	807		6 031	78 579	158 102	13 151 248
Nebraska			33,106	00 000	103 106	18 254 811
Nevada	905			9,535	42,870	5,478,700
New Hampshire			8 888	64 006	98 725	5 601 251
New Jersey			37,654	70 777	623 005	29 451 651
New Mexico	7			61,704	261,481	12,805 188
New York		47,138	1,045		2,027 207	104 888 648
North Carolina	86			133,995	669 143	81 701 144
North Dakota			10 658		112 618	9 509 173
Ohio			136 412	218 246	958 502	70 182 886
Oklahoma				229 552	480 076	54 106 055
Oregon	1 792			90 695	302 758	25 238 482
Pennsylvania	38		45 592	395,040	1 015 510	83 877 657
Rhode Island			29 461	38 474	167 997	6 875 922
South Carolina	11			32 868	470,690	22 023 926
South Dakota			31,157	53 354	69 860	10 823 982
Tennessee	1			169 227	688 416	33 385 006
Texas				323 898	1,208 328	104 854 017
Utah	1,153			111 084	187 203	12 848 752
Vermont			10 451	35 127	101 213	5 368 418
Virginia	16			75,227	217,775	22 406 421
Washington	1 006		89 388	114 843	410 657	40 024 972
West Virginia	3			78 264	350 000	18 568 093
Wisconsin	4		33 383	56 714	418,063	29 033 423
Wyoming	226		2,691	6 783	50,106	10,285 106
Alaska	358				25 750	2 201 128
Hawaii					35,428	4,792 877
Puerto Rico				18 043		7 306 699
Virgin Islands						836 458
Advances and other undistributed						ᵃ26 046 080
Total	23 537	153 096	1 782,115	5,303 031	24,133,354	1,592,515 224

ᵃ Deduct

TABLE 96 —*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1948*—Continued

PART B FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC WITHIN THE STATES OTHER THAN GRANTS AND LOANS

State		Department of the Army		Federal Security Agency			
	Department of Agriculture Agricultural conservation program [14] (49)	Reimbursement for education of dependents of construction personnel, river and harbor and flood control (50)	National Guard (51)	Training of nurses (52)	Reconversion unemployment benefits for seamen (53)	Civilian war assistance (54)	Public Health Service Cancer control (55)
Alabama	$3 892 636		$1 815 349	$10 876	$27 367	$1 169	$60 520
Arizona	1,075 439		599 207	13 528	1 380	1 067	5 364
Arkansas	5,662,940	$102,000	1 018 137	5 182	4 294	45	32 605
California	13 452 024		3 128 504	100 772	595 838	55 906	124 033
Colorado	10 140,584		1,288 150	18,858	2 870	265	23 486
Connecticut	012 635		1,839 111	101 655	15,878	2 213	27 833
Delaware	536,366		620 447	8 795	2 053		4 649
District of Columbia			1 054 761	25 720	8 710	2 000	12,990
Florida	3,411,727		004 458	20 177	14,590	4 081	41 650
Georgia	5 641 041		1 854 634	40 165	14 384	1 349	48 028
Idaho	6 128 298		790 713	10 018	3 969		13 585
Illinois	10 143 781		2 620 600	209 150	31 935	4 239	120 197
Indiana	6 570 902		934 907	78,690	1 172	1 471	58 563
Iowa	11 343 393		1 213 857	70 812	932		87 510
Kansas	8 707,465		064 306	33 284	2 843	-	84 432
Kentucky	9 263 861		1,119 654	26 813	1 366	180	58 752
Louisiana	8,052 158		927 937	20 114	42 848	621	49 770
Maine	1,826 709		1 135 475	12 040	41 004	-	18 707
Maryland	1 901 525		1,002 989	40 717	168 327	8 317	82 552
Massachusetts	927 160		2,310 650	143 902	200 791	8 000	75 280
Michigan	8 284 542		1 824 347	111 806	10 070	17 610	84 015
Minnesota	9,598 649		1 814 310	138 192	8 934	2,748	43 995
Mississippi	4 947 181		1 088 414	8 165	3,478		55 300
Missouri	10 081 781		1 464 167	63 812	41,876	2 809	24 106
Montana	6 192 195		602 576	10 649	791		10 450
Nebraska	9 336 900	700	685 685	43,330	468	77	19,572
Nevada	427 658		130 654	6 863	858	870	4,854
New Hampshire	618 781		597 242	940	2 046	261	-
New Jersey	1,040 837		1 890 500	133,497	99 127	5,607	68,302
New Mexico	2 735 115		618,707	684	1 050		15 205
New York	6 249,648		3 083 139	291,592	1,126,825	827,239	156,754
North Carolina	6,964,281		774 851	47 998	14 363		71,176
North Dakota	6 808 294		850 937	87 648	637		9,415
Ohio	7,277,803		2 203 696	190 447	8 874	3 732	112 236
Oklahoma	7 287,219		1,286 100	23 596	8 399	1 556	42,214
Oregon	2 867 620	499,950	1 101,885	24 550	92 848	5 525	24,178
Pennsylvania	5 629,994	-	2 221 364	388 004	94,527	8,140	121,428
Rhode Island	126 807		352,676	12 432	45 063	58	11 076
South Carolina	3 836 604		1,857 775	6,840	14 682	4,300	42 069
South Dakota	5 501,212	281 115	819 855	27 495			10 506
Tennessee	6,561,094		1 637 959	52,198	3,241		47 345
Texas	16 608,954		3 450 962	68 086	28 912	2,750	02,659
Utah	2,998,336		838 414	5 252	3 086		10,661
Vermont	1 621,801		958 270	12 220	2 000	150	8 896
Virginia	5 080,337		864 756	57 913	39 341	5,308	34 499
Washington	4 077,530		1,204 828	59 621	428 927	6 095	32 459
West Virginia	2 757 984		842,574	33,633	11,407		84,240
Wisconsin	8 206,966		1 034 360	70 113	780	1,569	45 590
Wyoming	3,160 471		639,820	610	66		9 200
Alaska	18 801				1 782		8,595
Hawaii	8 217,257		1 050 266		952		18 189
Puerto Rico	15 535 695		636,016	7 224			-
Virgin Islands	43,644		-		-		1 109
Advances and other undistributed		-				--	-
Total	290 201,082	943 765	64 340 109	2 927,502	3 280 296	478,101	2 154 779

[14] Comprises payments of $229 523 377 under conservation and use of agricultural land resources, and $60,677,705 under the Sugar Act

TABLE 96.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year, 1948*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN GRANTS AND LOANS—Continued

State	Federal Works Agency		Veterans Administration Readjustment benefits (Public Law 346) and vocational rehabilitation (Public Law 16)	Total payments within States (Part B)	Grand total (Parts A and B)
	Forest highways	Public Buildings Administration			
	(56)	(57)	(58)	(59)	(60)
Alabama	$7 800		$98, 168 193	$103 483 919	$133, 399 680
Arizona	827, 946		16 034 349	18 658 289	31 856 988
Arkansas	71 798		96 335 895	73 202 896	96 959 563
California	1 627, 846	$19 863	237 951 641	257, 047 517	393 448 191
Colorado	534, 318		41 966 674	53 915 211	77 986 957
Connecticut			49 742 214	41, 341 539	57 223 656
Delaware			5 442 999	6 615 219	9 708 920
District of Columbia		499, 039	36, 999 528	38 265, 960	44 605 947
Florida	7, 028		97 173 638	71 577 958	195, 738 895
Georgia	3, 286		99 536, 969	98 139 759	133 955, 573
Idaho	496, 255		14, 434 569	21, 787 497	32, 503 039
Illinois	972		182 568 497	195 717 131	278, 727 363
Indiana	274		71 131 150	78 777 138	112 934 031
Iowa	19		55 882, 824	68 555 363	98, 776 448
Kansas			31 685 140	41 127 476	70 196, 727
Kentucky	39 574		94, 536 308	75 946 577	104 128, 415
Louisiana	3 023		68 775, 256	77 871 733	100 289, 991
Maine	14 926		19 312 489	21 861, 410	31 505, 558
Maryland		11 400	33 297 939	36 518 765	51 348 014
Massachusetts			126 473 003	130 144 881	177 780, 157
Michigan	83 562	105	116 511 173	126 927 918	193 467 807
Minnesota	205 384		73 198 585	85 010 797	124 061, 188
Mississippi	16, 343		71 716, 848	77 831 229	102, 524, 955
Missouri	21 700	84	123 496 281	135 196 266	189 206, 485
Montana	703, 887		12 363 667	19 074 215	33 125 458
Nebraska	549		27 720, 101	37 897 332	56 962, 223
Nevada	157 420		2 195 447	2 804 633	8, 873, 423
New Hampshire	4 358		13 886 204	14 610 991	20 301 942
New Jersey			81 817 997	85 055 837	114 519, 488
New Mexico	771 269		14 747 226	18, 889 256	31 904 444
New York	-		316 818 400	328 053 092	432 941 749
North Carolina	50, 897	15 783	106 429 358	114 368, 677	149 999 821
North Dakota			14 269 154	21 967 085	31 476 258
Ohio	22, 205		156, 981 267	196 799 760	239 982 649
Oklahoma	1 664		79 568 051	88 218 808	142, 324 863
Oregon	1 348, 703	2 262	82 288, 842	88, 255 822	68 494 304
Pennsylvania	2 117		267, 462, 717	275 923 297	859 300, 954
Rhode Island	-		24 424 719	24 972 831	31 848 753
South Carolina	52 198		55, 520 421	60, 843, 799	82, 867 725
South Dakota	137, 918		11, 628 885	18, 496 975	29 820, 957
Tennessee	2 744		107 309 253	115 613 834	148 998 849
Texas	51 820	-	227, 697, 297	248, 001 449	352 855 457
Utah	868 339		21 317, 197	25 541 282	38 890, 034
Vermont	26, 466		8 738, 427	11 868 245	16, 736 663
Virginia	48, 647		52 387, 203	58 527, 004	89 933 425
Washington	749 468		47 846 142	54, 495 970	95 389, 042
West Virginia	91, 708		38, 177 508	41 919 114	60, 487 207
Wisconsin	61, 095		61 482, 471	79 902 044	99 936 367
Wyoming	449, 441		5, 159 512	9 428 120	19, 718, 316
Alaska	500, 501		1, 118 744	1 648, 513	8, 849 641
Hawaii			3 498 709	12, 780, 320	17, 573, 197
Puerto Rico	33		89 234 482	55, 413, 450	92, 720 149
Virgin Islands	-			44, 753	881, 211
Advances and other undistributed		407		497	[a] 20 045, 583
Total	9 935 641	519, 939	3 584 666 608	3 958, 538, 822	5, 551, 054 949

[a] Deduct

TABLE 97 —*Number and amount of awards of the Mixed Claims Commission, United States and Germany, in favor of American nationals certified to the Secretary of the Treasury by the Secretary of State and the amount paid and balance due, through June 30, 1948*

	Total number of awards	Total amount	Class I		Class II		Class III		Private Law 509 approved July 19, 1940		United States Government	
			Number of awards	Awards on account of death and personal injury	Number of awards	Awards of $100 000 and less	Number of awards	Awards over $100 000	Number of awards	Amount	Number of awards	Amount
1. Amount due on account												
Principal of awards												
Agreement of Aug 10, 1922	4,734	$175 955 880 92	425	$3 549 437 75	3 996	$15 562,321 98	310	$114,809 326.78			4	$42,034,794.41
Agreement of Dec 31 1928	2,291	5 532,354 38	115	556 625 00	2,169	2 447 803 92	7	2 577 925 46				
Private Law 509	1	160 000 00							1	$160,000 00		
		181 698 235 30		4,106,062 75		18,010 125.90		117 387,252.24		160 000 00		42,034,794 41
Less amounts paid by Alien Property Custodian and others		187 226 85				48 012.50		139 214.35				
		181,511,008.45		4 106 062.75		17 962,113 40		117 248 037 89		160 000 00		42 034,794.41
Interest to Jan. 1 1928 at rates specified in awards												
Agreement of Aug 10 1922		78 751,456.32		745 302.98		7 113 930 76		51 682,897 36				19 209 325 22
Agreement of Dec 31, 1928		2,649,630 04		115 976 22		971,159 15		1 562,494 67				
Private Law 509		64 000.00								64 000 00		
Total payable to Jan 1 1928		262,976 094.81		4,967 341 95		26 047 203 31		170 493 429 92		224,000 00		61 244 119 63
Interest thereon to date of payment or if unpaid June 30 1948 at 5% per annum as specified in the Settlement of War Claims Act 1928		131,646 887 91		236 195 75		2,061 598 87		66 416 823 51		165 413 84		62 766 855.94
Total due claimants		394 622,982 72		5 203 537 70		28 108,802 18		236 910 253 43		389 413 84		124 010 975 57
2 Payments made on account through June 30, 1948												
Principal of awards												
Agreement of Aug 10 1922	[1] 4 407	146 100 934 55	425	3 549 437 75	3 983	15 497 158 79		[1] 127 054,338 01				
Agreement of Dec 31 1928	[1] 2 264	6 140 989 78	115	556 625 00	2 149	2,445 886 69		[1] 3 138,478.09				
Private Law 509		165 053 06								[1] 165 053 06		
Interest to Jan 1 1928 at rates specified in awards.												
Agreement of Aug 10 1922		7 852,463 96		745,302 98		7 107 160 98		(1)				
Agreement of Dec 31 1928		1 086,361 01		115 976 22		970 384 79		(1)				
Private Law 509										(1)		

Footnotes at end of table

TABLE 97.—*Number and amount of awards of the Mixed Claims Commission, United States and Germany, in favor of American nationals certified to the Secretary of the Treasury by the Secretary of State and the amount paid and balance due, through June 30, 1948*—Continued

	Total number of awards	Total amount	Class I: Number of awards	Class I: Awards on account of death and personal injury	Class II: Number of awards	Class II: Awards of $100 000 and less	Class III: Number of awards	Class III: Awards over $100,000	Private Law 509 approved July 19 1940: Number of awards	Private Law 509 approved July 19 1940: Amount	United States Government: Number of awards	United States Government: Amount
2. Payments made on account through June 30, 1948—Continued												
Interest at 5% from Jan. 1, 1928 to date of payment as directed by the Settlement of War Claims Act of 1928		$8, 589 230. 22		$236, 195. 75		$2, 045 380. 09	-	[1] $6, 291 554 66		[1] $16 099 72		
Total payment through June 30 1948	-	169, 935, 032 58		5, 203 537 70	-	28, 065, 971. 34		136, 484, 370 76		181, 152. 78		
Less ⅛ of 1% deduction from each payment												
Agreement of Aug 10 1922	(3)	808, 881 80	-	22, 249 66		121 173 14		665, 459 00		-		
Agreement of Dec. 31 1928		39 888 08		3 767 97	-	19, 150 68		16 963 43				
Private Law 509	(3)	905. 76			-					905. 76		
Net payments made to claimants through June 30 1948		169 085, 356. 94		5, 177 520 07	-	27 925, 641. 52		135, 801 948 33		180 247 02	-	
3 Balance due on account												
Principal of awards.												
Agreement of Aug 10, 1922	327	100 559 942. 10			13	17 150 69	310	39 298, 671 78		-	4	$61, 244, 119 63
Agreement of Dec 31 1928	27	1 003 859 27			20	1 917 23	7	1 001, 942. 04				
Private Law 509	1	58, 946. 94							1	58, 946 94	-	
Interest to Jan 1, 1928, at rates specified in awards												
Agreement of Aug 10 1922		6, 769 78				6, 769 78						-
Agreement of Dec. 31 1928		774. 36			-	774 36	-	-				
Accrued interest at 5% per annum from Jan. 1 1928 on total amount payable as of Jan 1 1928, through June 30 1948		123 057 657 69	-			[4] 16, 218 78		60 125 268. 85	-	149 314. 12		62, 766 855 94
Balance due claimants through June 30, 1948		224 687 950. 14	-			42, 830. 84		100, 425 882. 67		208, 261. 06		124, 010, 975 57

[1] Includes payments on account of interest to Jan. 1, 1928, on Class III awards and Private Law 509 Payments on this class of awards are first applied on account of total amount payable as of Jan. 1, 1928, as directed by Settlement of War Claims Act of 1928 until total of all payments on 3 classes equals 80 percent of amount payable Jan. 1 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims deferred in accordance with act

[2] Payment made in accordance with Public Law 375 approved Aug. 6, 1947

[3] Represents deductions from payments under agreement of Aug 10 1922, and Private Law 509, that have been covered into Treasury as miscellaneous receipts

[4] Interest accrued from Jan 1 1928 to Mar 11 1940, on $26 612.06 representing awards plus interest to Jan. 1 1928. No applications filed by claimants Time for filing applications expired Mar 11 1940

TABLE 98 —*Status of the war contract settlement program, June 30, 1948*

Contracting agency	Effected	Settled	Pending
	Number of contract terminations		
Department of the Air Force	18 512	18 428	84
Department of the Army	116 658	116 594	64
Department of the Navy	64 046	63 885	161
Reconstruction Finance Corporation	109,965	109 946	19
Treasury Department	2 933	2 933	- -
U S Maritime Commission	10 355	10 138	217
Total number	322,469	321 924	545
	Canceled commitments involved in terminations (in millions)		
Department of the Air Force	$22 316	$21 993	$323
Department of the Army	24,164	24 133	31
Department of the Navy	16 641	16 517	124
Reconstruction Finance Corporation	1 748	1 737	11
Treasury Department	187	187	- -
U S Maritime Commission	942	730	212
Total canceled commitments	65 996	65 296	700

NOTE —Dollar figures are rounded and will not necessarily add to totals

TABLE 99.—*Federal fiscal operations and the Nation's financial structure, fiscal years 1941–48*

[In billions of dollars]

	1941	1942	1943	1944	1945	1946	1947	1948
A Federal fiscal operations [1]								
1 Federal budget expenditures	13.8	34.3	79.7	95.6	100.4	63.7	42.5	36.3
2 Less Federal budget receipts	7.6	12.8	22.3	44.1	46.5	43.0	43.3	44.7
3 Equals Federal deficit (or surplus (—))	6.2	21.5	57.4	51.4	53.9	20.7	—.8	—8.4
4 Increase in general fund balance	.7	.4	6.5	10.7	4.5	—10.5	—10.9	1.6
5 Net trust fund expenditures (or receipts (—)) [2]	—.1	—.2	—.1	—.3	—2.0	.6	.2	.8
6. Net increase in Federal securities outstanding [3]	6.8	21.7	63.8	61.8	56.5	10.8	—11.5	—6.0
B Federal budget expenditures and gross national product [4]								
1 Federal budget expenditures	13.8	34.3	79.7	95.6	100.4	63.7	42.5	36.3
2. Less. Expenditures not involving purchases of production [5]	4.2	4.3	7.3	10.0	10.4	22.5	25.4	19.7
3 Equals Federal purchases of goods and services	9.5	30.0	72.4	85.6	90.0	41.2	17.1	16.6
4 State and local purchases of goods and services	7.8	7.8	7.5	7.5	7.7	8.7	11.1	13.7
5 Gross private domestic investment	14.7	16.7	3.7	6.2	6.8	17.0	29.5	34.1
6 Net foreign investment	1.1	.7	—1.2	—2.6	—2.1	2.0	7.4	5.8
7 Personal consumption expenditures	76.1	86.2	96.7	105.8	116.7	132.6	157.6	171.3
8 Gross national product	109.2	141.4	179.1	202.4	219.1	201.5	222.7	241.4
C Federal budget receipts and charges against gross national product [4]								
1 Federal budget receipts	7.6	12.8	22.3	44.1	46.5	43.0	43.3	44.7
2 Less Receipts not involving gross income flow [6]	—4.4	—7.2	—7.2	.5	1.6	4.9	.7	.4
3 Equals Federal receipts chargeable to gross income flow	12.0	20.0	29.5	43.7	44.8	38.2	42.5	44.3
4 State and local receipts chargeable to gross income flow	9.3	9.7	9.8	9.9	10.4	11.5	12.9	14.3
5 Corporate undistributed profits, depreciation etc [7]	9.9	13.7	15.5	17.9	21.9	14.5	15.1	16.8
6 Disposable personal income	81.9	102.2	128.6	136.2	148.7	151.1	166.8	182.1
7 Total gross income flow	113.1	145.5	183.3	207.7	225.8	215.2	237.3	257.5
8 Less Government interest and transfer payments	3.9	4.1	4.3	5.3	6.7	13.7	14.6	16.0
9 Equals Charges against gross national product	109.2	141.4	179.1	202.4	219.1	201.5	222.7	241.4

D Major liquid assets of nonbank investors Sources of expansion.								
1 Federal Government transactions [1]								
a Budget deficit	6.2	21.5	57.4	51.4	53.9	20.7	−0.8	−8.4
b Net trust fund expenditures [2]	−.1	−.2	−.1	−.3	−2.0	.6	.2	.8
2. Other expansion factors.								
a Increase in monetary stock	2.9	.3	−.4	−1.8	−1.2	−.1	1.0	2.3
b Increases in commercial bank loans and investments other than Federal securities	2.9	−.3	−3.1	3.1	3.1	4.5	7.2	6.8
c Miscellaneous factors [3]	−.2	.5	.4	−1.6	−1.5	2.1	2.8	−.6
d. Total other expansion factors.	5.6	.5	−3.1	(*)	.4	6.5	11.1	8.6
3 Total increases in major forms of liquid assets	11.7	21.8	54.2	51.1	52.4	27.7	10.5	1.0
E Major liquid assets of nonbank investors Composition of increases								
1 Currency and bank deposits.								
a Currency [9]	1.5	2.8	4.3	5.1	4.3	1.5	−.2	−.6
b Commercial bank deposits [10]								
(1) Demand	6.2	4.5	15.0	4.4	8.3	12.4	3.4	.7
(2) Time	.4	−.3	1.9	3.7	6.0	5.3	2.4	1.0
c Total	8.1	6.9	21.2	13.2	18.6	19.2	5.6	1.1
2 Federal securities [3]	3.6	14.8	33.1	37.9	33.8	8.5	4.8	−.1
3 Total increases in major forms of liquid assets	11.7	21.8	54.2	51.1	52.4	27.7	10.5	1.0
F Bank absorption of Federal securities and expansion of currency and bank deposits								
1 Increases in currency and bank deposits held by nonbank investors	8.1	6.9	21.2	13.2	18.6	19.2	5.6	1.1
2 Plus Increase in Treasury general fund balance	.7	.4	6.5	10.7	4.5	−10.5	−10.9	1.6
3 Equals Total increase in deposits and currency	8.9	7.3	27.7	23.8	23.1	8.7	−5.3	2.7
4 Less Increases accounted for by other expansion factors (D above)	5.6	.5	−3.1	(*)	.4	6.5	11.1	8.6
5 Equals. Net bank absorption of Federal securities	3.2	6.8	30.7	23.9	22.7	2.2	−16.4	−5.9

NOTE —Figures are rounded and will not necessarily add to totals

*Less than $50 million.

[1] Operations of Foreign Economic Cooperation trust fund have been considered as budget rather than trust fund, operations for purposes of this table

[2] Includes net expenditures of clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks excludes changes in guaranteed securities outstanding

[3] Gross public debt, and guaranteed securities of Federal Government held outside Treasury

[4] Data on gross national product and its components are from Department of Commerce.

[5] Includes expenditures for interest veterans pensions and benefits tax refunds grants in aid to State and local governments, loans to foreign governments, loans by Government corporations etc

[6] Comprises net excess of (1) items such as sales of surplus property and tax refunds over (2) social insurance contributions not entering into budget receipts and excess of corporate tax liabilities over corporate tax payments to Treasury

[7] Also includes corporate inventory valuation adjustment excess of Government enterprise surplus over subsidies, and statistical discrepancy adjustment

[8] Reflects principally changes in items in process of collection (net)

[9] Currency held outside commercial banks excludes those currency items which constitute a part of noninterest-bearing debt of Federal Government.

[10] Total deposits exclusive of Federal Government and commercial bank interbank deposits.

OWNERSHIP OF GOVERNMENTAL SECURITIES

TABLE 100 —*Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, June 30, 1937–48*

[Par value [1] In billions of dollars]

June 30	Total amount outstanding	Held by banks			Held by nonbank investors						
		Total	Commercial banks	Federal Reserve Banks	Total	Individuals [2]	Insurance companies	Mutual savings banks	Other corporations and associations [3]	State and local governments [4]	U S Government agencies and trust funds
	I Securities of U S Government and Federal instrumentalities guaranteed by United States [5]										
1937	40 5	16 7	14 2	2 5	23 8	9 9	5 0	2.4	2.6	0 2	3 6
1938	41 4	16 3	13 7	2 6	25 1	9 5	5 5	2.7	2 4	8	4 8
1939	45 3	17 9	15 3	2 6	27 4	9 8	5 0	3 0	2 5	4	5 9
1940	47 9	18 6	16 1	2 5	29 3	9 7	6 5	3 1	2 5	4	7 1
1941	54 7	21 8	19 7	2 2	32.9	10 9	7 1	3 4	2 4	6	8 5
1942	76 5	28 7	26 0	2.6	47 8	17 9	0 2	3 0	5 4	9	10 6
1943	139 5	59 4	52 2	7 2	80 0	30 3	13 1	5 3	15 5	1 5	14 8
1944	•201.1	83 3	68 4	14 9	117 7	45 1	17 3	7 8	25 8	3 2	19 1
1945	256 8	106 0	84 2	21 8	150 8	58 5	22 7	9 6	29 8	5 3	24 9
1946	268 0	108 2	84 4	23 8	160 4	62 9	25 3	11 5	25 2	6 5	29 1
1947	255 2	91 0	70 0	21 9	163 3	66 1	25 0	12 1	20 1	7 1	32 8
1948	250 1	85 9	64 6	21 4	164 2	66 0	23 2	12 0	19 5	7 8	35 7
	II Securities of Federal instrumentalities not guaranteed by United States										
1937	2 8	0 4	0 4		1 9	0 9	(*)	(*)	0 2		0 8
1938	2.3	4	4		1 8	8	(*)	(*)	2		8
1939	2 3	4	4		1 0	8	(*)	(*)	2		8
1940	2 2	5	5		1 8	7	(*)	(*)	2		8
1941	2 2	6	6		1 0	6	(*)	(*)	2		8
1942	2 2	7	7		1 5	0	(*)	(*)	1		8
1943	1 9	6	0		1 3	6	(*)	(*)	1		6
1944	1 5	6	6		9	0	(*)	(*)	1		2
1945	1 0	5	5		5	4	(*)	(*)	1		(*)
1946	1 1	1 0	1 0		1	1	(*)	(*)	(*)		
1947	1 2	1 0	1 0		2	2	(*)	(*)	(*)		
1948	1 5	1 2	1 2		3	2	(*)	1	(*)		
	III Securities of State and local governments Territories and possessions [6]										
1937	19 8	2.8	2 8		16 5	8 8	1 8	0 8	1 1	3 5	0 5
1938	19 3	2 8	2 8		16.5	8 7	1 9	7	1 1	3 6	5
1939	19 8	3 2	3 2		16 5	8 5	2 0	6	1 8	3 7	4
1940	20 0	3 6	3 6		16 4	8.2	2 2	6	1 2	3 8	5
1941	20 0	3 7	3 7		16 3	7 9	2 2	5	1 1	3 9	7
1942	19 5	3 6	3 6		15 9	7 6	2 2	4	1 1	3 9	7
1943	18.5	3 5	3 5		15 0	7 5	1 7	2	1 1	3 8	6
1944	17 8	3 5	3 5		13 8	7 1	1 6	2	1 0	3 4	6
1945	16 4	3 8	3 8		12.6	6 9	1 4	1	8	2.9	5
1946	15 7	4 1	4 1		11 6	6 8	1 2	1	7	2.4	5
1947	16 0	5 0	5 0		11 6	6 8	r1 2	1	r 6	2 4	5
1948	18 4	5 6	5 6		12 8	7 0	1 3	1	8	2 5	5

NOTE —Figures are rounded and will not necessarily add to totals

* Less than $50 million

r Revised

[1] Figures represent par values with the following exceptions (1) The holdings of commercial and mutual savings banks of securities of Federal instrumentalities not guaranteed by the United States and of State and local governments, Territories and possessions are book values (2) the holdings of these securities by individuals are residuals and so deviate from par values in those cases where the figures for commercial and mutual savings banks are book values, (3) in the case of data which include United States savings bonds Series A–D, E, and F, the figures for these bonds represent current redemption values

[2] Includes partnerships and personal trust accounts

[3] Includes savings and loan associations, dealers and brokers, and investments of foreign balances in this country

[4] Comprises trust, sinking, and investment funds of State and local governments, Territories, and possessions

[5] Data on daily Treasury statement basis Since data exclude noninterest bearing debt, they differ slightly from those in discussion of debt ownership Includes special issues to Federal agencies and trust funds, and excludes guaranteed securities held by the Treasury, and transactions in Commodity Credit Corporation demand obligations which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year

[6] Excludes obligations of the Philippine Islands after June 30, 1946

TABLE 101.—*Estimated distribution of interest-bearing governmental securities outstanding on June 30, 1937–48, classified by tax status and by type of issuer* [1]

[Par value [2] In millions of dollars]

June 30	U S Government (direct and guaranteed issues) [3]					Federal instrumentalities (nonguaranteed issues) [4]				State, local, and territorial governments (wholly tax-exempt) [5]		
	Total	Tax exempt: Wholly ([5])	Tax exempt: Partially [6]	Taxable [7]	Special issues [8]	Total	Tax exempt: Wholly ([5])	Tax exempt: Partially [6]	Taxable [7]	Total	Issues of States and localities	Issues of Territories and possessions [9]
	I Total amount outstanding											
1937	46 495	13,507	25 400	(*)	1 558	2 257	2 220	25	8	16 298	19 152	146
1938	41 428	10 817	27 936	1	2 676	2 262	2 151	106	5	19 310	19,164	146
1939	45,336	9 630	32 535	1	3 770	2 265	2,982	175	8	19 761	19,611	150
1940	47 874	8,142	34,953	4	4 775	2 199	2 954	134	11	20,044	19 801	153
1941	54 747	4,903	35 871	7 853	6 129	2,206	1 913	161	126	20 007	19 860	147
1942	76 517	4 260	82 987	31 386	7 885	2 219	1,721	100	380	19 517	19,379	138
1943	139 472	3,650	32 215	93 336	19 871	1,852	1,467	55	329	18 534	18 406	128
1944	201 950	1 414	27 489	157,869	14 287	1 453	1 108		345	17 814	17 194	129
1945	250 796	196	25,656	212 193	18 812	1,608	576		439	16,417	16 293	124
1946	268 578	180	21 335	224 732	22 332	1 693			1 693	15 736	15 626	119
1947	255 197	166	26 936	206 725	27 366	1 196			1 196	16 580	16 529	51
1948	250 132	164	17 826	201 931	30 211	1,494			1,494	18 399	18 354	45
	II Held by Federal agencies and trust funds [10]											
1937	3 613	113	1,943		1 558	835	835			528	528	
1938	4 791	98	2 617		2 076	847	847			538	538	
1939	5 891	86	2 634	(*)	3,770	844	844			426	426	
1940	7 686	80	2 210	(*)	4 775	844	844			479	479	
1941	8 494	58	2 154	162	6 126	814	808		6	697	697	
1942	10 023	53	2 030	654	7 885	824	807		17	735	735	
1943	14,322	34	1,954	1,763	10 871	560	557		3	634	634	
1944	16 907	35	1 408	3 307	14 287	186	186			582	582	(*)
1945	24,649	35	1 281	4,812	18 812	1	(*)		1	490	486	(*)
1946	29 139	89	992	5,776	22 332					467	467	(*)
1947	32 810	36	698	4 716	27 366					466	469	(*)
1948	35,749	87	497	5,665	39,211					560	566	(*)
	III Held by Federal Reserve Banks											
1937	2,526	1,794	732									
1938	2 564	1,820	744									
1939	2 551	1 649	611									
1940	2,469	1,128	1 339									
1941	2 184	775	1 213	196								
1942	2,645	634	1 181	836								
1943	7,262	860	1,823	5 574								
1944	14 901	49	943	13 908								
1945	21,792		873	20 919								
1946	23 783		529	23,254								
1947	21 872		529	21 343								
1948	21 866		556	20 807								
	IV Held in sinking funds of States, localities, Territories, and possessions											
1937	65		65							1 769	1,743	26
1938	72		72							1,800	1,777	23
1939	78		78							1,789	1,768	21
1940	88		88							1 736	1,718	25
1941	169		199							1,681	1,658	23
1942	176		100	76						1 644	1 620	24
1943	373		93	280						1 622	1,608	14
1944	724		65	659						1,398	1 389	9
1945	947		42	905						1,150	1 185	15
1946	993		25	968						1,621	1 016	11
1947	976		n a	n a						1 694	1 064	
1948	855		n a	n a						1,002	1,001	1

Footnotes at end of table

TABLE 101.—*Estimated distribution of interest-bearing governmental securities outstanding on June 30, 1937–48, classified by tax status and by type of issuer* [1]—Con.

[Par value [2] In millions of dollars]

June 30	U S Government (direct and guaranteed issues) [3]					Federal instrumentalities (nonguaranteed issues) [4]				State, local and territorial governments (wholly tax exempt) [5]		
	Total	Tax-exempt		Taxable [7]	Special issues [8]	Total	Tax exempt		Taxable [7]	Total	Issues of States and localities	Issues of Territories and possessions [9]
		Wholly ([5])	Partially [6]				Wholly ([5])	Partially [6]				
	V Held in trust and investment funds of States localities, Territories, and possessions											
1937	184		184					-		1,740	1 740	
1938	225		225							1,824	1,824	
1939	808		808							1,922	1,914	8
1940	336		336							2,081	2 072	9
1941	510		510							2,235	2,231	4
1942	609		377	822					-	2,227	2 227	
1943	1,087		300	787			-			2,210	2 202	8
1944	2 466		226	2,240						2,032	2,010	22
1945	4 309		148	4,161					-	1,747	1 731	16
1946	5 405		114	5 351						1,356	1,341	15
1947	0,133		n a	n a					-	1 433	1 424	9
1948	0,931		n a	n a						1,481	1,475	6
	VI Privately held securities											
1937	34,076	11,600	22 476	(*)		1 422	1,394	25	3	15,261	15 141	120
1938	33 777	8,899	24 878	1		1 415	1 304	106	5	15 148	15 025	123
1939	80,508	7,304	29,204	1		1 421	1 238	175	8	15 024	15 503	121
1940	37 908	0,928	30 971	4		1 355	1,210	134	11	15 740	15 027	119
1941	43 450	4,070	31 885	7,495		1 385	1 104	161	120	15,394	15 274	120
1942	02 875	3,573	29,293	20 510		1,380	014	109	303	14 911	14,797	114
1943	110 488	2,710	28 845	84 933		1,292	910	55	320	14 008	13,962	100
1944	163,870	1,880	24 788	137,753		1,267	923		345	13 302	13 214	89
1945	204 777	101	23 310	181 307		1,007	579		429	13 030	12,938	98
1946	209 206	144	19 075	189,388		1 093			1 093	12,892	12 808	84
1947	193 406	130	n a	n a		1 190			1 196	13 074	13 632	42
1948	185,231	127	n a	n a		1,494			1,494	15 410	15,872	38

NOTE —Figures are rounded and will not necessarily add to totals For data for 1913 through 1936 see 1946 annual report, p 664

* Less than $50 million

n a Not available

[1] The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers in that the former excludes noninterest-bearing debt The "total privately held securities" differs from the net indebtedness of the borrowers in several additional respects The former is derived by deducting from the total amount of interest-bearing securities outstanding the amount of such securities held by Federal agencies, Federal Reserve Banks, and by public sinking, trust and investment funds Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets

[2] In the case of data which include United States savings bonds, Series A–D, E, and F, the figures for these bonds represent current redemption values

[3] On basis of daily Treasury statements Excludes transactions in Commodity Credit Corporation demand obligations which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year Guaranteed securities consist of Commodity Credit Corporation notes, Home Owners' Loan Corporation bonds (including those guaranteed as to interest only), Reconstruction Finance Corporation notes, Tennessee Valley Authority bonds, Federal Public Housing Authority (formerly United States Housing Authority) notes, Federal Farm Mortgage Corporation bonds, and Federal Housing Administration debentures Excludes stocks, interagency loans and securities held by the Treasury

[4] Includes Electric Home and Farm Authority notes, Federal intermediate credit bank debentures, Federal land bank bonds (both those issued by the individual banks and the consolidated series), Federal National Mortgage Association notes, home loan bank debentures, War Finance Corporation bonds (World War I), and joint stock land bank bonds Excludes stocks and interagency loans

[5] Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax

[6] Securities the income from which is exempt only from the normal rates of the Federal income tax In the case of partially tax-exempt (1) Treasury bonds and (2) United States savings bonds, interest derived from $5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well as the normal rates of the Federal income tax

[7] Securities the income from which is subject to both the normal rates and the surtax rates of the Federal income tax.

[8] Special issues to Federal agencies and trust funds

[9] Excludes obligations of the Philippine Islands after June 30, 1946

[10] Excludes Federal Reserve Banks Includes individual Indian trust funds

TABLE 102.—*Summary of Treasury survey of ownership of interest-bearing public debt and guaranteed obligations, June 30, 1947 and 1948* [1]

[Par values. In millions of dollars]

By type of security	Held by investors covered by Treasury survey [1]												Held by all other investors [4]		Total amount outstanding	
	Commercial banks [2] [3]		Stock savings banks [3]		Mutual savings banks [3]		Life insurance companies		Fire casualty, and marine insurance companies		U S Government agencies and trust funds and Federal Reserve Banks					
	June 30, 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948
Number of institutions	7 318	7 289	33	33	540	532	309	308	638	626						-
Public marketable																
Treasury bills	787	2,342	-	3	1	58		57	1	55	14,506	8 592	480	2,651	15,775	13 757
Certificates of indebtedness	8,520	8,532	16	20	249	317	164	48	198	431	6,328	4,630	9 821	8 610	25,296	22,588
Treasury notes	4,839	4,519	16	12	183	98	157	14	128	209	376	1 968	2,445	4,556	8,142	11,375
Treasury bonds—bank eligible	47 068	40 788	220	215	8 107	2,509	3 777	2,483	1 425	1,450	1,790	4,483	12,299	10 898	69 686	62,826
Treasury bonds—bank restricted [5]	1,267	965	201	178	8,300	8,538	16,753	15 526	1,350	1,421	4,243	7,058	17,522	15,949	49 636	49,636
Postal savings and Panama Canal bonds	13	15	(*)	(*)	(*)	(*)	(*)	(*)	1	(*)	36	37	114	112	166	164
Guaranteed obligations (Federal Housing Administration debentures) [6]	12	9	2	2	4	2	14	10	1	1	2		4	3	38	27
Total public marketable	62 506	57 170	455	429	11 845	11 522	20 865	18,138	3,104	3,567	27 281	26 768	42,686	42,779	168 740	160 373
Public nonmarketable																
United States savings bonds [7]	849	823	8	9	290	321	139	154	236	268	14	15	49,831	51 684	51 367	53,274
Treasury savings notes	70	32	3	1	(*)	(*)	(*)	1	4	2	21	21	5,461	4,336	5 560	4,394
Depositary bonds	297	281	(*)	(*)	(*)	1				---	--	-	28	34	325	316
Armed forces leave bonds	-		-	-	-								1,793	563	1 793	563
Treasury bonds, investment series		184	-	3		122	-	290	-	37		100		222	-	959
Guaranteed obligations (Commodity Credit Corporation demand obligations) [6]	(8)	(8)	- --	--	--	-			-			-	(8)	(8)	45	42
Total public nonmarketable	1 216	1 321	12	13	290	444	139	445	239	307	35	136	57 113	56,840	59,090	59 548
Special issues	-	--	-	--	-	- --			-		27,366	30,211		-	27,366	30,211
Grand total	63 722	58,491	466	442	12,135	11 966	21 004	18 583	3 343	3 874	54 682	57 115	99 798	99 619	255,197	250 132

TABLE 102 —*Summary of Treasury survey of ownership of interest-bearing public debt and guaranteed obligations, June 30, 1947 and 1948*—Cont

[Par values In millions of dollars]

By call classes	Held by investors covered by Treasury survey [1]												Held by all other investors [4]		Total amount outstanding	
	Commercial banks [2 3]		Stock savings banks [3]		Mutual savings banks [3]		Life insurance companies		Fire, casualty and marine insurance companies		U S Government agencies and trust funds and Federal Reserve Banks					
	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30 1948	June 30 1947	June 30, 1948	June 30, 1947	June 30, 1948
Public marketable, due or first becoming callable																
Within 1 year	16 237	16,793	32	39	624	546	403	134	383	729	21 204	15 347	13 559	16,281	52,442	49 870
1 to 5 years	29 824	30 467	97	113	1,573	1 829	1 908	1,865	764	925	1,167	2 954	7 189	7 971	42,522	46 124
5 to 10 years	11 477	6,167	100	84	1 244	506	1 535	530	467	381	463	861	3 646	1 935	18,932	10 464
10 to 15 years	2,200	1 383	84	66	2 944	2,963	2,079	1 817	790	693	455	1 575	4 774	3 911	13 326	12,407
15 to 20 years	208	2 350	94	125	3 806	5,676	11 869	13 782	399	837	2 998	6 031	7 702	12,679	27 076	41,481
Over 20 years	2,548	--	46		1 650	-	3,058	--	301		993	—	5,810		14,405	----
Various (Federal Housing Administration debentures)	12	9	2	2	4	2	14	10	1	1	2		4	3	38	27
Total public marketable	62,506	57 170	455	429	11 845	11 522	20 865	18,138	3 104	3 567	27 281	26 768	42,685	42,779	168 740	160 373

NOTE —Figures are rounded and will not necessarily add to totals

*Less than $500 000

[1] Banks and insurance companies covered in Treasury survey of ownership of securities issued or guaranteed by U S Government account for approximately 95 percent of amount of such securities owned by all banks and insurance companies in United States Details as to each issue of security are available in *Treasury Bulletin* (a) monthly for above investors and (b) quarterly through September 1947 Bulletin and semiannually there after for commercial banks classified by membership in Federal Reserve System

[2] Includes trust companies

[3] Securities held in trust departments are excluded

[4] Includes banks and insurance companies which are not covered in Treasury survey (see footnote 1)

[5] Issues which commercial banks (banks accepting demand deposits) are not permitted to acquire prior to specified dates with three exceptions (1) Concurrently with Fourth Fifth, and Sixth War Loans and Victory Loan commercial banks were permitted to subscribe for limited investment of their savings deposits (2) commercial banks may temporarily acquire such issues through forfeiture of collateral, and (3) commercial banks may hold a limited amount of such issues for trading purposes. Bank restricted issues as of June 30 1947 and 1948, and the earliest dates on which commercial banks may own them are as follows

Bank restricted issue of Treasury bonds	Earliest date on which commercial banks may own bonds	Bank restricted issue of Treasury bonds	Earliest date on which commercial banks may own bonds
2¼%, June 15 1959–62	June 15 1952	2½% Dec. 15 1964–69	Sept 15 1953
2¼% Dec. 15 1959–62	Dec 15 1952	2½% Mar 15 1965–70	Feb 1, 1954
2½% June 15, 1962–67	May 5, 1952	2½%, Mar 15 1966–71	Dec 1 1954
2½% Dec 15, 1963–68	Dec 1 1952	2½%, June 15 1967–72	June 15, 1962
2½% June 15 1964–69	Apr 15 1953	2½% Dec. 15, 1967–72	Dec. 15 1962

[6] Excludes guaranteed obligations held by Treasury

[7] U S savings bonds other than Series G are included at current redemption values They were reported at maturity value by banks and insurance companies covered in Treasury survey and have been adjusted to current redemption value for this table

[8] Commodity Credit Corporation demand obligations in amounts of $45 million on June 30 1947 and $42 million on June 30 1948 are all held by commercial banks and are shown only in total amount outstanding data for reporting banks are not available

BUDGET ESTIMATES

TABLE 103.—*Budget receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950*

[On basis of 1950 Budget document]

	Actual,[1] fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Budget receipts			
Internal revenue			
Income and excess profits taxes			
Corporation			
Current taxes			
Income[2]	$8,864 267,024	$10,854,000,000	$10,756 000,000
Excess profits	66 336 968	-	-
Total current corporation	8,930 603,992	10 354 000 000	10,756,000,000
Back taxes			
Income	987 248,085	1,161 000 000	1,356,000 000
Excess profits	238 914,508	180 000 000	132 000 000
Declared value excess profits	17,648 249	14 000,000	8 000 000
Total back taxes	1 243 805 842	1 355 000 000	1 496 000,000
Total corporation	10,174 409,834	11,709,000 000	12 252,000 000
Individual			
Income tax withheld (daily Treasury statement basis)	11,436 102 000	10 414,000,000	10,080 000 000
Income tax not withheld			
Current	8,847 469,257	7,446 000 000	7 807 000,000
Back	616 311 345	670 000 000	648 000 000
Total income tax not withheld (collection basis)	9,464,281,102	8,116 000,000	8,455,000 000
Adjustment to daily Treasury statement basis[3]	+96,174 567	-	
Total income tax not withheld (daily Treasury statement basis)	9,560 455 000	8 116,000 000	8 455 000 000
Total individual	20 996 558 569	18 530,000 000	19 135,000 000
Total income and excess profits taxes	31 170 968 403	30,239 000 000	31 387 000,000
Miscellaneous internal revenue			
Estate tax	822,380,121	739 000 000	605 000 000
Gift tax	76 965 322	58 000,000	48 000 000
Liquor taxes			
Distilled spirits (domestic and imported) (excise tax)[4]	1,436 226,412	1,530,000,000	1,602,000,000
Fermented malt liquors	697,097 258	672,000 000	680 000 000
Rectification tax[4]	34,983,321	37,000 000	39,000 000
Wines (domestic and imported) (excise tax)[4]	60 961,809	67 000,000	70 000 000
Special taxes in connection with liquor occupations	18,519,426	14 000 000	14 000 000
Container stamps	12 035,804	12,500,000	13,500,000
All other	453 663	500 000	500 000
Total liquor taxes	2 255 277 693	2 338,000,000	2 410 000,000
Tobacco taxes			
Cigarettes (small)	1 208,100 005	1,248,000,000	1,275 000,000
Tobacco (chewing and smoking)	37 024,892	36 000 000	35 000 000
Cigars (large)	46 685,967	49,000 000	50,000,000
Snuff	7,372,400	7,000,000	7,000,000
Cigarette papers and tubes	925,524	900 000	900 000
All other	70 832	100,000	100 000
Total tobacco taxes	1 300 278 120	1,341,000,000	1 368,000 000

Footnotes at end of table

TABLE 103.—*Budget receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950*—Continued

	Actual,[1] fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Budget receipts—Continued			
Internal revenue—Continued			
Miscellaneous internal revenue—Continued			
Stamp taxes			
Issues of securities bond transfers, and deeds of conveyance	$50 771 303	$48,000,000	$47 000,000
Stock transfers	20,873 528	20 000 000	20,000,000
Playing cards	7,867 224	7 500 000	7 500 000
Silver bullion sales or transfers	453,881	500 000	500,000
Total stamp taxes	79,465 936	76,000 000	75,000 000
Manufacturers' excise taxes			
Gasoline	478 637 625	509,000,000	536,000,000
Lubricating oils	80 886,922	82,000 000	80,000,000
Passenger automobiles and motorcycles	270,958,892	321,000,000	364,000,000
Automobile trucks, busses and trailers	01 902 891	122,000 000	93 000 000
Parts and accessories for automobiles	122 950 708	115,000,000	98,000,000
Tires and inner tubes	159 284,053	158,000,000	158 000 000
Electrical energy	09 700 530	76 000 000	81 000,000
Electric, gas, and oil appliances	87 857 618	80,000 000	80 000,000
Electric light bulbs	24 935 505	26,000,000	27,000,000
Radio receiving sets, phonographs, phonograph records, and musical instruments	85 371,445	68,000,000	58,000,000
Refrigerators, refrigerating apparatus, and air conditioners	58 473,372	66,000,000	03 000 000
Business and store machines	32 707,141	31,000,000	30 000,000
Photographic apparatus	43 035 374	40 000 000	50 000 000
Matches	10 600 558	10,000 000	10,000 000
Sporting goods	18 827 948	21 000 000	22,000 000
Firearms, shells, pistols, and revolvers	12 134 001	13,000 000	13 000 000
Total manufacturers' excise taxes	1 040,233 778	1,753 000 000	1 703 000 000
Retailers excise taxes			
Jewelry, etc	217 809,249	224,000,000	227,000,000
Furs	70 539,152	70 000,000	73,000,000
Toilet preparations	01,852 013	94 000,000	06,000 000
Luggage, handbags, wallets, etc	80,632,324	79,000,000	82,000 000
Total retailers excise taxes	460 922 738	467,000,000	478 000,000
Miscellaneous taxes			
Telephone, telegraph, radio and cable facilities, leased wires, etc	275,255 152	295 000 000	300,000,000
Local telephone service	193 520 917	216,000,000	238,000 000
Transportation of oil by pipeline	18,773,045	20 000,000	21,000,000
Transportation of persons	246 323 047	250 000 000	245 000 000
Transportation of property	317,203 134	355 000 000	372,000 000
Admissions, exclusive of cabarets, roof gardens, etc	385 100,099	390,000 000	400 000 000
Cabarets, roof gardens, etc	53,527 145	49,000,000	47,000,000
Club dues and initiation fees	25,499,193	27,000,000	28 000 000
Leases of safe deposit boxes	9,081,103	9 000,000	10,000,000
Coconut and other vegetable oils processed	25,704,320	21,000,000	25 000,000
Oleomargarine, etc, including special taxes and adulterated butter	9,826,021	16 000,000	10 0000 00
Sugar tax	71,240,834	08,000,000	68,000,000
Coin operated amusement and gaming devices	19,270,941	20,000,000	20,000,000
Bowling alleys, and billiard and pool tables	4,085,677	4 000,000	4,000,000
All other, including repealed taxes[5]	8,061,069	5,000,000	3,000,000
Total miscellaneous taxes	1,657,479,107	1 745,000,000	1 707 000 000
Total miscellaneous internal revenue (collection basis)	8,311,002,905	8,512,000,000	8,553,000,000
Adjustment to the daily Treasury statement basis	—9,627,538		
Total miscellaneous internal revenue (daily Treasury statement basis)	8,301,375 867	8 512,000 000	8,553,000,000

Footnotes at end of table

TABLE 103.—*Budget receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950*—Continued

	Actual,[1] fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Budget receipts—Continued			
Internal revenue—Continued			
Employment taxes			
Taxes on employment by other than carriers			
Federal Insurance Contributions Act	$1,616,044,525	$1,754,000,000	[6] $2,420,000,000
Adjustment to daily Treasury statement basis	+117,510		
Total	1,616,162,044	1,754,000,000	2,420,000,000
Federal Unemployment Tax Act	207,020,070	229,000,000	239,000,000
Adjustment to daily Treasury statement basis	−1,414		
Total	207,918,656	229,000,000	239,000,000
Railroad Retirement Tax Act	557,070,694	616,000,000	654,000,000
Adjustment to daily Treasury statement basis	−9,912		
Total	557,060,782	616,000,000	654,000,000
Total employment taxes	2,381,141,482	2,599,000,000	3,313,000,000
Total internal revenue under existing legislation	41,853,485,252	41,350,000,000	43,253,000,000
Proposed legislation			
Federal Insurance Contributions Act (including disability insurance)			[7] 1,700,000,000
Health insurance payroll tax			[7] 260,000,000
Total proposed legislation			[7] 1,960,000,000
Total internal revenue under existing and proposed legislation	41,853,485,252	41,350,000,000	45,213,000,000
Railroad Unemployment Insurance Act			
Receipts from contributors	14,514,665		9,746,000
Transfer from unemployment trust fund (adjustment for retroactive credits taken by contributors)		11,000,000	1,254,000
Total	14,514,665	[9] 11,000,000	[9] 11,000,000
Customs	420,603,939	407,000,000	407,000,000
Adjustment to daily Treasury statement basis	+1,119,089		
Total	421,723,028	407,000,000	407,000,000
Miscellaneous receipts			
Miscellaneous taxes	17,109,089	17,124,081	17,151,000
Assessments	9,729,494	9,904,290	9,676,100
Fees	28,033,384	25,696,673	26,231,885
Fines and penalties	12,728,573	11,111,818	9,414,018
Forfeitures	1,968,045	1,068,405	1,027,475
Gifts and contributions	8,529,334	194,473	190,250
Interest, exchange, and dividends	262,897,961	260,060,754	346,586,614
Mint receipts	39,209,179	38,313,000	41,313,000
Permits, privileges, and licenses	6,750,048	7,219,946	7,727,381
Reimbursements	384,111,914	350,856,525	231,591,430
Rents and royalties	197,090,249	168,793,296	131,081,700
Sales of Government products	[10] 1,355,901,034	537,416,007	314,054,707
Sales of services	72,900,487	67,330,268	68,682,401
Sundry receipts	25,267,319	57,640,500	66,058,000
Deposits for defense aid special account (sec. 6 (b), act Mar. 11, 1941)	[10] 4,558,486		
Repayments of investments	560,193,446	335,758,138	198,760,445

Footnotes at end of table.

TABLE 103.—*Budget receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950*—Continued

	Actual [1] fiscal year 1948	Estimated fiscal year 1949	Estimated fiscal year 1950
Budget receipts—Continued			
Miscellaneous receipts—Continued			
Sales of public lands	$213 943	$537 500	$535 000
Sales of Government property	3 388 146 559	391 682 306	270 704 931
Total miscellaneous receipts	3 654 569 504	2 275 703 040	1 749 736 347
Adjustment to daily Treasury statement basis	+154 514 805		
Total miscellaneous receipts under existing legislation	3 809 084 360	2 275 703 040	1 749 736 347
Proposed legislation			
Repayment of investments Repayment of capital stock, Federal home loan banks			81 000 000
Total miscellaneous receipts under existing and proposed legislation	3 809 084 360	2 275 703 040	1,830 736,347
Total receipts	46 098 807 314	44 043 703 040	47 461,736 347
Deduct			
Appropriation to Federal old-age and survivors insurance trust fund			
Existing legislation	1 616 162,044	1 754 000 000	2 420 000 000
Proposed legislation (including disability insurance)			1,700 000 000
Appropriation to health insurance trust fund Proposed legislation			260 000 000
Refunds of receipts	2 237 047 112	2 700,301 458	2 097 091,000
Adjustment to daily Treasury statement basis	+34 227 665		
Total refunds of receipts	2 271 874 777	2 700 301 458	2 097 091 000
Net budget receipts	42 210 770 403	39 589,311 582	40 984 045 347
Budget expenditures [11]			
Legislative branch	43 126 172	53 156 036	64 468 005
The Judiciary	19 073 784	21 021,611	22 700 375
Executive Office of the President	8 320 828	9 353 032	10 578 398
Funds appropriated to the President			
Economic cooperation Foreign assistance [12]	154 015 740	4 600,000,000	4,500 000,000
Other foreign aid [13]			355 000 000
Other [13]	9 826,748	2 500,000	14,400,000
Independent offices			
Atomic Energy Commission	405 586,869	632 260 000	725,200 000
Civil Service Commission	261,403,260	244,155,567	353 144 504
Export-Import Bank of Washington	460 201,412		140 400,000
General Accounting Office	33 984,199	36,061 842	37 301 732
National Advisory Committee for Aeronautics	37 534,270	44 800,000	50 900 000
Philippine War Damage Commission	35 764 444	195 652,965	182 506 011
Railroad Retirement Board	778 363 777	584 100 133	727 259 845
Reconstruction Finance Corporation	155,050 361	298,092,876	188,903,500
Tennessee Valley Authority	33,827 917	28 655 933	48 861 000
United States Maritime Commission	291 678 829	105 244 776	187 440 000
Veterans' Administration	6 474 103 038	6,666,573,447	5,818 201 654
War Assets Administration	280 702 020	103 626 450	9 500 000
Other independent offices	77 961 060	343 518 712	778 730,330
Federal Security Agency	1,028 365 478	1,380 227 440	1,908,564,503
Federal Works Agency	488 002,829	500 825 976	686 800 801
Housing and Home Finance Agency	[a] 73 010 704	[a] 40,531,908	105,856,238
Department of Agriculture	1 224 540 704	2 018 515 047	1 827 977 256
Department of Commerce	172 875 248	247,241,070	327,631,314
Department of the Interior	340 441 187	537,638,504	640,433,228
Department of Justice	117,908 582	128,368,092	131 790 500
Department of Labor	86 345,162	15,092,063	10,561,758
National Military Establishment			
Office of the Secretary of Defense	342,235	6,983,385	10,488,500
Department of the Air Force	1,124,438 344	1,532,004,600	3 555 768,250
Department of the Army			
Military functions	5,071,392,583	5,645,456 380	4 649,465,023
Civil functions	1 486 220,086	2,131,249,635	1,070,510,050
Department of the Navy	4 297,079,125	4,485,069,707	4,090,294,205
Public works, special programs, military pay adjustment, etc			885,000,000

Footnotes at end of table

TABLE 103.—*Budget receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950*—Continued

	Actual,[1] fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Budget expenditures [11]—Continued			
Post Office Department (general fund)	$307 010 608	$531 360, 940	$156,669,796
Department of State	670,293,826	436 895 644	312,065 421
Treasury Department			
Interest on the public debt	5 187 849,708	5,325 000 000	5 450,000 000
Other	2,395,856 579	1,092 733 215	1 140,255 666
District of Columbia (United States share)	12,012 655	12,019 328	12 000 000
Reserve for contingencies	-	45,000 000	150 000 000
Adjustment to daily Treasury statement basis	−368 009 683	- -	-
Total budget expenditures [11]	33 791 300 649	40 180 017 813	41,857 777 869
Budget surplus or deficit (−)	8,410,469,844	−500 706 231	−873,132,522

[a] Excess of credits (deduct)

[1] Details of income taxes other than withheld and miscellaneous internal revenue on collection basis with adjustment to daily Treasury statement basis, details of employment taxes on warrants issued basis with adjustments to daily Treasury statement basis details of miscellaneous receipts on warrants-issued basis adjusted to include reimbursement to general fund from Federal old age and survivors insurance trust fund for administrative expenses with total adjusted to daily Treasury statement basis, customs and refunds of receipts on warrants issued basis with adjustments to daily Treasury statement basis Railroad Unemployment Insurance Act receipts on daily Treasury statement basis Figures have been adjusted from those appearing in the daily Treasury statement (1) to show refunds of receipts as a deduction from receipts rather than as an expenditure and (2) to exclude from both receipts and expenditures, payments to the Treasury principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings

[2] Includes collections under Vinson Act

[3] Because of the time required for payments reported as tax collections toward the end of each month to clear through the banks and become available for expenditures on the daily Treasury statement basis an adjustment from the collection basis to the daily Treasury statement basis is necessary A positive adjustment indicates that during the given period more tax receipts on the daily Treasury statement basis have been received than are reported as collections and a negative adjustment indicates the reverse situation The adjustment for total income and excess profits taxes other than withheld is arbitrarily assigned to the individual income tax

[4] Collections for credit to trust funds are not included

[5] Includes collections from Taxes on narcotics, taxes imposed under the National Firearms Act and the tax on hydraulic mining, all of which are effective currently In addition includes collections from excise taxes repealed or suspended prior to and including the Revenue Act of 1945 (consisting primarily of rubber articles, electric signs, optical equipment, washing machines vacuum cleaners and manufacturers' tax on luggage) collections from the liquor, tobacco, matches, tires and tubes floor stocks taxes imposed by the Revenue Acts of 1941, 1942 and 1943 collections from the tax under the Bituminous Coal Act of 1937 which expired Aug 24, 1943 collections from the unjust enrichment tax, collections from the capital stock tax repealed with respect to years ending after June 30, 1945 and collections from the use tax on motor vehicles and boats repealed by the Revenue Act of 1945 with respect to the period after June 30, 1946

[6] Based on the scheduled increase from 1 percent to 1½ percent each on employers and employees effective Jan 1, 1950 (Internal Revenue Code, sec. 1400 (2), as amended by Public Law 379 approved Aug 6 1947) The estimate also assumes change in the method of collection requiring with certain exceptions, that tax payments be deposited in designated depositaries in the first month following the month of liability Under present regulations tax payments are due on the last day of the first month following the end of the quarter in which the liabilities accrued

[7] These estimates assume that tax payments will be deposited in designated depositaries in the first month following the month of liability

[8] Represents transfers from unemployment insurance trust fund to provide for administrative expenses plus very small amounts of back taxes

[9] Represents transfers from unemployment insurance trust fund to provide for administrative expenses together with current tax receipts

[10] Deduct result of adjustment of classification of prior years receipts

[11] Classified by organization unit as published in table 2 of the 1950 Budget document The figures are based upon the Treasury s Combined Statement of Receipts, Expenditures and Balances, and therefore differ from figures published in the daily Treasury statement

[12] Excludes transfer in 1948 of $3 billion to the Foreign Economic Cooperation trust fund pursuant to sec 114 (f) of the Economic Cooperation Act of 1948 Budget expenditures estimated for 1949 include expenditures made out of the Foreign Economic Cooperation trust fund

[13] Expenditures, except under proposed legislation, are shown under the various agencies to which funds are allocated

TABLE 104.—*Trust accounts, etc., receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950* [1]

	Actual, fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Receipts			
Unemployment trust fund			
Deposits by States	$1,007,343,720	$982,000,000	$998,000 000
Deposits by Railroad Retirement Board	130,633 530		14 819,000
Interest on investments	165 279 218	181,500 000	184,641 932
Transfers from general and special accounts	9 650,100	8,967,857	5 104 264
Proposed legislation	--		230 000 000
Federal old-age and survivors insurance trust fund			
Appropriation from general account receipts	1,616 044 525	1 754 000 000	2,420 000 000
Interest on investments	190 562,313	228,000 000	262,289 440
Transfers from general and special accounts	700,000	3,279 400	3,604 000
Proposed legislation			1,700,000,000
Railroad retirement account			
Interest on investments	38,875,492	50 700,000	62,000 000
Transfers from general and special accounts	758,488,498	564,570,000	715 889 000
Health insurance trust fund Proposed legislation			260,000,000
Veterans' life insurance funds			
Premiums and other receipts	434,299 020	447 264 000	466,830,000
Interest on investments	243 003 836	265,120 000	278 160,000
Transfers from general and special accounts	144,617,154	481 807,500	56,098,000
Federal employees' retirement funds			
Deductions from employees salaries and other receipts	238 753,314	338 454,921	361,109 202
Interest and profits on investments	108,206 225	119,890 075	138 786 947
Transfers from general and special accounts	247 479 000	227,544,000	331,794,000
Other trust accounts			
Transfers from general and special accounts	6,000,000	12,000,000	12,000,000
Miscellaneous trust receipts	420 518,488	292,302,976	298,082 204
Adjustment to daily Treasury statement basis	[2] +754,775,648		
Total receipts	[3] 0,515,230,081	5 957,460,229	8,798 718,079
Expenditures			
Other than investments			
Unemployment trust fund Withdrawals by States and other expenditures	856 440,214	962 700 000	1,109,754,000
Federal old age and survivors insurance trust fund Benefit payments and administrative expenses	559,021,847	655 740 150	2,244,702 842
Railroad retirement account Benefit payments and other expenditures	222 151,181	288 600,000	316,585,000
Veterans' life insurance funds Insurance losses and refunds	376,948 679	381,228,000	2 421,200,000
Federal employees retirement funds Annuities and refunds	243,757,805	274,108,938	277,137,635
Other trust accounts Miscellaneous trust expenditures	508,927,071	882,877 119	289,675 094
Checking accounts of Government corporations (not wholly owned) with the Treasurer of the United States (net)	144 705,188	132 750 000	68,250,000
Other special deposit accounts (net)	80,125,420	279,000,000	66 000,000
Sales and redemptions of obligations of Government corporations and credit agencies in the market (net)	[a] 107,387,658	[a] 109,071,551	[a] 71,741,250
Adjustment to daily Treasury statement basis	[2] +914,907,356		
Total expenditures other than investments	3,749,597,112	[3] 3,247,932,662	6,781,623,321
Investments in U S securities			
Unemployment trust fund	446,398,023	209,182,856	262,311,196
Federal old age and survivors insurance trust fund	1,194,445,007	1,869,782 806	2,141,140,168
Railroad retirement account	509,000,000	328,259,000	460 962,000
Health insurance trust fund Proposed legislation	-	-	260 000,000

Footnotes at end of table.

TABLE 104 —*Trust accounts, etc, receipts and expenditures, actual for the fiscal year 1948 and estimated for 1949 and 1950* [1]—Continued

	Actual, fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Expenditures—Continued			
Investments in U S securities—Continued			
Veterans' life insurance funds	$493,500,000	$400,904 000	[b] $1,678,615 000
Federal employees' retirement funds	363,082 000	411 857 891	554,562,604
Other trust accounts	[a] 6 450 000	[a] 700,000	[a] 800 000
Total investments	3,059 975 630	2 719,280,643	1,999,569 968
Total expenditures	6 800,572 742	5,967,219,305	8 781,193 289
Net receipts or expenditures (—)	—294 342 662	—9,759,076	17,524,790

NOTE —Detailed figures are based upon the Treasury's Combined Statement of Receipts, Expenditures, and Balances, and therefore differ from figures published in the daily Treasury statement

[a] Excess of credits (deduct)
[b] Excess of redemptions (deduct)
[1] For further detail, see 1950 Budget document, tables 11 and 12
[2] Due largely to transfer to budget receipts of approximately $750 million of proceeds from sale of surplus war built merchant vessels
[3] Excludes transfer of $3 billion from general accounts for 1948 Expenditures for 1949 are included under budget expenditures for "Economic cooperation Foreign assistance"

TABLE 105 —*Effect of financial operations on the public debt, actual for the fiscal year 1948 and estimated for 1949 and 1950*

[On basis of 1950 Budget document]

	Actual, fiscal year 1948	Estimated, fiscal year 1949	Estimated, fiscal year 1950
Budget surplus [or deficit (—)] [1]	$8,419 469 844	—$599 706,231	—$873,132,522
Net receipts of trust accounts, etc [or expenditures (—)] [1]	—294 342,662	—9,759 076	17 524,790
Increase in clearing account for outstanding checks, etc [or decrease (—)]	—507 106 039	400,000,000	-
Subtotal	7 618 021,143	—209,465 307	—855,607,732
Less Increase in Treasury cash balance [or decrease (—)]	1 623 884 548	—932 711,820	—499,607,732
Decrease in public debt	5 994,136,596	723,246 513	-
Increase in public debt			356,000,000
Treasury cash balance			
Beginning of year	3,308,136,929	4 932 021 477	3 999,309,657
Change during year	+1,623 884 548	—932,711,820	—499,607,732
End of year	4 932,021,477	3,999,309 657	3 499 701,925
Public debt outstanding			
Beginning of year	258,286 383,109	252,292,246,513	251,569,000,000
Change during year	—5 994,136,596	—723 246,513	+356 000,000
End of year	252,292,246,513	251,569,000,000	251,925,000,000

[1] Excludes transfer in 1948 of $3 billion to the Foreign Economic Cooperation trust fund pursuant to section 114 (f) of the Economic Cooperation Act of 1948 The budget deficit estimated for 1949 takes into account expenditures made out of the Foreign Economic Cooperation trust fund

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